

The NATIONAL UNDERWRITER

Life Insurance Edition



STOP THIEF!

EVERYBODY loses if inflation comes.

The farmer gets higher returns for his produce, but inflated prices steal more than his increase. The worker earns larger wages for his services, but swollen costs of living steal more than his gains. The business man gets bigger profits on his goods, but abnormal expenses rob him of more than his advantages. And the investor is robbed worst of all.

Because life insurance policyholders and life insurance men have such a real stake in the war against inflation, the Life Insurance Com-

panies in America and Their Agents have undertaken an advertising campaign to induce the American people to put their money in war bonds and life insurance instead of entering the mad scramble for a limited supply of goods. The advertisements are clear, human, convincing. The campaign is a distinguished public service.

Provident Mutual is proud to participate in this crusade and has devoted its 1944 insurance journal campaign to furthering this effectual cooperative effort. Your moral support will help to win this vital battle.



PROVIDENT MUTUAL

LIFE INSURANCE COMPANY OF PHILADELPHIA
Pennsylvania • Founded 1865

FRIDAY, DECEMBER 1, 1944

FLUENT PHRASE

There is a *best way* of presenting an insurance plan. So, Aetna Salesmen memorize a Company-planned sales talk. They give it with ease and fluency because they know it. *They know it.* No uncertainty or vagueness. No bewildered groping for a decisive clincher. Instead, an exact, flowing, deft story told convincingly and heard willingly.

ÆTNA LIFE ORGANIZED SELLING



ÆTNA LIFE INSURANCE COMPANY

AFFILIATED COMPANIES

THE ÆTNA CASUALTY AND SURETY COMPANY

THE AUTOMOBILE INSURANCE COMPANY

THE STANDARD FIRE INSURANCE COMPANY

Hartford, Connecticut

Educate Youth to Value of Insurance, Says C. E. D. Official

**C. Scott Fletcher, Address-
ing N. Y. Managers, Urges
Better Compensation Plan**

NEW YORK—High schools should educate their students to the vital importance of insuring their own security through life insurance, so that part of their first earnings will go for premiums and as they grow up it will seem natural to set aside part of every pay-check toward insurance payments, C. Scott Fletcher, executive director of the Committee for Economic Development, declared at the annual dinner of the New York City Life Managers Association for the company presidents and other executives in the city for the various insurance gatherings.

Mr. Fletcher warned, however, that the time-honored system of compensating agents needs drastic overhauling and indicated that the trend in this direction is not coming any too soon. He said that the agent should be regarded as a counsellor on insurance and economic problems but that as long as he is under pressure to make sales for the sake of the immediate commission the tendency of the prospect is to regard his advice as biased.

With a compensation system that removes this pressure the agent should not only be able to do a better job of selling but he would become the natural family adviser, teaching people to handle their financial affairs wisely, said Mr. Fletcher. Real security, he pointed out, must come from the individual's own efforts rather than being handed out by a paternalistic central government. Life insurance teaches the individual to build up his own social security plan.

Mr. Fletcher said that he himself got an early grounding in the value of life insurance. The treasurer of the company which first employed him was a firm believer in insurance and took the time to show him its value. Mr. Fletcher said he felt that he was much more impressed by this man's arguments because he realized he was not trying to sell anything.

Tells C. E. D.'s Role

Telling what the Committee for Economic Development is doing to see that the economic machine is ready for its postwar job, Mr. Fletcher said that unless plans are laid now by business and agriculture, in cooperation with government and labor, to reach new high levels of employment through expanded production and distribution quickly when peace comes, the first two world wars will have been fought in vain.

Business men, he said, constitute the shock troops for this war against unemployment. If they succeed, they can help achieve four things: lightening of the tax burden, reducing the threat of inflation, raising the living standard for all people, and the maintenance of the free enterprise system which is democracy itself. If they fail, we will have mass unemployment, which will lead to mass government employment, regimentation, and loss of the free, competitive enterprise system.

(CONTINUED ON PAGE 19)

Battle Is Shaping in Congress on SS Tax Freeze

WASHINGTON — Congress began moving toward freezing the social security taxes for 1945 at 1% each on employers and employees, when the House ways and means committee decided by a large majority vote to hold hearings on two pending freeze bills. First witness called was Arthur Altmeyer, chairman social security board. Senator Vandenberg, Michigan, is all set at the other end of the Capitol to push social security tax freeze, for which purpose he has already introduced a bill. Under the constitution revenue legislation must originate in the House.

The ways and means action sets the stage for a clash between President Roosevelt and Congress at the end of the current session. The President, social security board, and Treasury are supporting the increase of social security taxes to 2%, Jan. 1, as provided for by law.

Supporters of the proposed freeze say there are votes to pass it through the House, but decline to speculate on whether they could muster a two-thirds majority for it against a presidential veto, which would be expected if the bill goes to the White House.

It was expected that consideration would be given to a possible compromise which has been subject of negotiation between the social security board and members of congressional revenue committees, on the basis of an increase to 1½% next year and 2% in 1946.

Statement by Altmeyer

Mr. Altmeyer, in his appearance said the social security board believes it is necessary from the standpoint of sound financing of a contributory social insurance system that the automatic increases be permitted to go into effect. The longer these increases, in the contribution rate are deferred the greater is the impairment of the financial soundness of the system and the greater the impairment of the whole idea of contributory social insurance.

A sound contributory social insurance system, he said, provides for benefits on a specific and predetermined basis, provides these benefits as a matter of right without a means or a needs test, finances these benefits largely out of contributions made by or on behalf of the beneficiaries, and provides a long-range systematic method of financing rather than a year-to-year unsystematic method.

The benefits promised under the present federal old-age and survivors insurance system, he declared, will cost far more than the 2% of payrolls now being collected. None of the actuarial

(CONTINUED ON PAGE 19)

N.A.L.U. Mid-Year Set for March 15-17 in Omaha

The National Association of Life Underwriters mid-year meeting will be held in Omaha, March 15-17. The meeting place was determined at the annual meeting in Detroit but the dates were not set. It is reported that St. Louis is the only association so far to extend an invitation for the 1945 annual meeting, which will be decided at the Omaha parley. The war situation will undoubtedly influence further invitations and the final decision, as there has been a tendency to hold the gatherings in centrally located cities because of war transportation difficulties.

Satterfield General Counsel of Life Assn. of America

NEW YORK—Rep. Dave E. Satterfield, Jr., of Virginia has been elected general counsel of the Life Insurance Association of America. Vincent P. Whitsitt, manager and general counsel, because of enlarged activities of the association, asked to be relieved of the duties of general counsel. He continues as manager. Mr. Satterfield, who has just been reelected to Congress, will as-



VINCENT P. WHITSITT

sume the duties of his new office as soon as his successor is elected.

Mr. Satterfield was born in Richmond and received his LL.B. degree from the University of Richmond law school in 1917. During the first world war he enlisted in the navy and later transferred to the naval flying corps. He continued his interest in naval service, and he is now a lieutenant commander in the naval reserve (inactive).

Long in Public Office

He began the practice of law in Richmond after his discharge from the navy, and in 1922 was elected commonwealth's attorney at the age of 25. He continued in that office from 1922 through 1933, when he resigned to resume the practice of law as a member of the firm of Tucker, Bronson, Satterfield & Mays.

In 1937 Mr. Satterfield was elected to fill an unexpired term in Congress and was reelected three times. He is a member of the house judiciary committee. He has been active in public and community matters in his home city and state. He has two sons, both in the naval air corps.

Visited England for Navy

He was granted a leave of absence from the house of representatives in 1941 to carry out a navy assignment in the British Isles under Vice-admiral Robert Ghormley, commander of the United States naval forces in Europe at that time.

It is expected that Mr. Satterfield will make his first appearance before the association at its annual meeting here Friday.

5% Bonus of Aetna Life

The Aetna Life companies are again paying this year extra compensation to their 7,000 employees amounting to 5% of the annual earnings. The 5% is also being paid to those employees who have left for military services since Oct. 1.

Forbes Moves to Put Premium Tax on Home Companies

**Mich. Commissioner
Fears Uneven Treatment
Makes Law Vulnerable**

LANSING, MICH. — Commissioner David A. Forbes of Michigan contemplates recommending legislation to extend the premium tax to domestic as well as foreign insurers. Mr. Forbes apparently fears that the Michigan tax is vulnerable to attack, in the light of the S.E.U.A. decision, as a burden on interstate commerce by discriminating against the foreign companies.

Mr. Forbes stated that this legislation will be presented regardless of what Congress does by statute to give states control over insurance.

Mr. Forbes pointed out that Michigan this year collected \$5,376,000 in premium taxes, the receipts going into the primary school fund to be used for public educational purposes. Several companies paid this year's tax under protest in the light of the impending U. S. Supreme Court decision and he anticipated that non-Michigan companies generally would challenge the levy next year. Michigan has collected a 3% tax on fire insurance premiums and 2% on casualty and life business of companies domiciled outside the state.

This question of whether different tax treatment of domestic and foreign insurers is fatal as an undue burden on interstate commerce finds insurance counsel in two camps. Most of the insurance lawyers have reached a conclusion one way or the other and potent arguments are heard on both sides. One group is convinced that these taxes cannot be successfully challenged. They say these laws do not create cumulative tax situations and they do not constitute real burdens on interstate commerce. Policyholders have not complained about the taxes. An insurer charges the same premium rate from state to state regardless of what the premium tax may be.

Other insurance legal students are equally convinced that a difference in tax treatment of domestic and foreign companies almost automatically invalidates the tax and they believe that the states that make such a distinction should immediately set about making the tax apply uniformly. One of the considerations behind exempting domestic companies from tax was to encourage the formation and development of home state companies, but those that believe the uneven tax is doomed, contend the U. S. Supreme Court would give little attention to that plea.

State Mutual to Write Annuities in Pension Groups of Less Than 75

For pension trust cases involving less than 75 lives, State Mutual Life will hereafter write retirement annuities, if desired. A clause is inserted in each trust agreement permitting the employee personally to purchase the insurance benefit upon his payment of the premium in excess of the retirement annuity premium.

N.A.L.U. Sets 14 More State Parleys

Next Conference to Be Held in Worcester, Mass. Dec. 6-7

NEW YORK—Fourteen more state conferences are planned by the National Association of Life Underwriters, six having been held. The next parley is scheduled for Massachusetts to be held in Worcester, Dec. 6-7 with President W. H. Andrews, Jr.; James E. Rutherford, executive vice-president; Clancy D. Connell, vice-president, and Walter E. Barton, treasurer, participating. The Connecticut conference in Hartford on Dec. 8 will be conducted by Messrs. Andrews, Connell, Rutherford and Maxwell L. Hoffman, managing director.

On Jan. 11, President Andrews, assisted by Alfred C. Duckett, trustee, and Milton A. Link, membership chairman for District 11, will conduct the Washington conference in Seattle.

Following that, Messrs. Andrews, Duckett, and Charles E. Cleaton, membership chairman for District 10, will conduct a conference for northern California in San Francisco on Jan. 15-16. The conference for southern California in Los Angeles will be held on Jan. 18-19 with Messrs. Andrews, Duckett, Cleaton, Jul B. Baumann, trustee, and Roy Ray Roberts, former trustee.

Mr. Rutherford and Judd C. Benson, Ernest A. Crane, Ralph W. Hoyer and Steacy E. Webster, trustees, will conduct conferences for Ohio in Columbus, Jan. 11-12; Indiana in Indianapolis, Jan. 15-16, and Kentucky in Louisville, Jan. 18-19. The conference for New York state will be held in Syracuse on Jan. 22-23, with the personnel to be announced later.

Other conferences will be held in Florida in February, Virginia, North Carolina and Tennessee in April and in Texas in June.

Preceding or following these conferences, national officers and trustees are visiting local associations in the state where conferences are being held. In addition, these local visits will be made in Alabama, Georgia, Kansas, Michigan, Nebraska, Oklahoma and Pennsylvania. Most of the visits in Alabama and Georgia will be made in February and most of those in Kansas, Nebraska and Oklahoma will be made preceding or following the mid-year meeting of the National association in Omaha, March 15-17. Visits in Michigan and Pennsylvania are tentatively scheduled for April.

Rickenbacker to Address Luncheon for Commissioners

NEW YORK—Capt. E. V. Rickenbacker will be the principal speaker Monday, Dec. 4 at the luncheon for the National Association of Insurance Commissioners sponsored by the New York insurance fraternity. The hour of the luncheon has been changed from 12:45 to 1 p.m. Superintendent Dineen of New York will preside.

There has been a change in the hour of two scheduled meetings on Monday. The committee on federal legislation which was scheduled for 2 p.m. will meet at 3 p.m. in the east ballroom, Commodore Hotel, and the committee on examinations will meet in parlor A at 3 p.m. instead of 2 p.m. as originally planned.

Kenneth Teasdale, general counsel of Mutual Savings Life, has been chosen chairman pro tem of the Radio Council of St. Louis, formed to effect the refinement of radio programs in the St. Louis area.

Unusually Successful Agency Recruiting Methods Told

The city directory is one of the best places to prospect for agents, H. K. Cassidy, San Francisco general agent of Pacific Mutual, told the General Agents & Managers Association there at a luncheon. The program was devoted to "Recruiting," Mr. Cassidy discussing recruiting and induction methods and V. W. Wiedemann, general agent Equitable Life of Iowa, the value and importance of aptitude tests.

Mr. Cassidy combs the city directory for agency prospects, writes to them and gets an 80% return. He then employs various tests. One of his agency leaders in the last year was recruited through this method. Newspaper advertising also brings replies. Out of 96 such replies, Mr. Cassidy saw promise in 22, and two of these are successful members of his agency. Last year he talked to about 62 agency prospects, put nine to work and five still are productive.

General Agents' Plan Works

The Pacific Mutual General Agents Association has worked out a plan which if followed exactly, usually gets the new agent into production in three to four weeks. If they are not in production in six weeks, they should be eliminated, he said. Under the plan, two agents in the Los Angeles agency of Pacific Mutual started from scratch and are now second and third ranking agents of the company.

Mr. Cassidy talks with the potential inductee for 15 to 20 minutes on original interview and with about 50% of them he decides to go no further. He plays for the others recordings prepared by C. H. Bryant, field director of Pacific Mutual and which do not attempt to "sell" the prospective agent on becoming an agent, but rather to paint the entire picture. The prospect is told an effort will be made to eliminate him and he must qualify. Aptitude tests are given which make a decided impression on the prospective agent. After hearing the recordings, the prospect is either very enthusiastic, or is lukewarm and is eliminated.

Mr. Cassidy said 200 agents are using

the prepared "package sales" plan; they sent out 13,736 letters in a four-week period, followed with 19,993 phone calls, made 12,260 contacts, had 5,363 appointments, 5,950 sales presentations, and sold 1,037 cases for about \$3,500,000 with \$210,000 annual premiums.

Mr. Wiedemann uses material of the Sales Research Bureau and Personnel Institute of Chicago in making aptitude tests. He does not consider such tests are substitutes for good judgment, yet a low grade is practically a guarantee of failure.

E. E. Keller, manager Reliance Life, spoke briefly on his recruiting methods which have resulted in signing up 13 new agents in the last 11 months. About 20% of 1944 production of his agency will come from first year agents for a total of approximately \$453,000.

Clifford Henderson, Prudential manager, reported insurance is to be represented on the employers council which is giving thought to post-war planning as to jobs and remuneration. H. E. North, vice-president Metropolitan Life, who represents life insurance, will meet with a representative of the fire and casualty business, and one representative for the insurance business generally will be selected.

National Life Subscribes \$4 Million in 6th Loan

Purchase of \$4 million in U. S. war obligations has been voted by the finance committee of National Life of Vermont. This brings its investment in government securities since Pearl Harbor to \$25,400,000. Also investments in Title VI FHA loans have totaled \$64,600,000. National recently decided to make loans to returned veterans, for the purchase or improvement of homes under the Congressional act known as the G. I. bill of rights.

Buy \$5 Billion in War Bonds

Life companies have purchased \$5,280,000,000 in war bonds during the first three quarters of 1944, bringing the total holdings up to \$15,643,000,000.

Group Passes \$25 Billion Mark

Over 15 Million Workers Now Covered—Big Increases

Group life insurance in force will total \$25,800,000,000, protecting 15,500,000 workers or 40% of all civilian non-agricultural employees in the U. S. by the end of 1944, the Institute of Life Insurance estimates. This is an increase of 12% for the year and 43% since the outbreak of the war. Group now represents one-sixth of all life insurance in force. It is estimated that more than 42,000 employers now have group insurance plans.

Coverage Increases 84%

Since 1939 the number of workers insured by group insurance has increased by 74% and the amount of coverage by 84%. It is estimated that group death benefits will total \$160,000,000 in 1944 compared to \$140,000,000 in 1943 and \$112,000,000 in 1941. Over 90,000 individual benefits will be paid in 1944.

Many Important Problems Before Boston Actuaries

BOSTON—The Actuaries Club of Boston has an unusually full program of discussion topics for its meeting Dec. 8. Included are:

A review of recent developments of savings bank insurance in Massachusetts.

War Problems: (a) Recent mortality experience arising out of war hazards. (b) What safeguards to be provided for reinstatement of lapsed policies on army and navy risks? (c) What special problems will arise in the post-war period due to the insertion of the war clause in life insurance contracts? Will there be difficulty in determining the allowances of interest on "missing in action" cases? (d) What problems confront the home offices of life insurance companies in the post-war period in regard to personnel, and what plans, if any, are being made to take care of them?

What are the philosophical, psychological and mathematical aspects involved in making a choice between: (a) A "net level" reserve (C.S.O. mortality) at a given rate of interest, say 2½% and (b) an "adjusted premium" reserve at a rate of interest one-half per cent lower?

Do the sales advantages outweigh the possible selection against the company in placing a "change clause" in the ordinary life policy? Do the same arguments hold for the limited payment life or the long term endowments?

Stephans and Letts Assistant Secretaries of Prudential

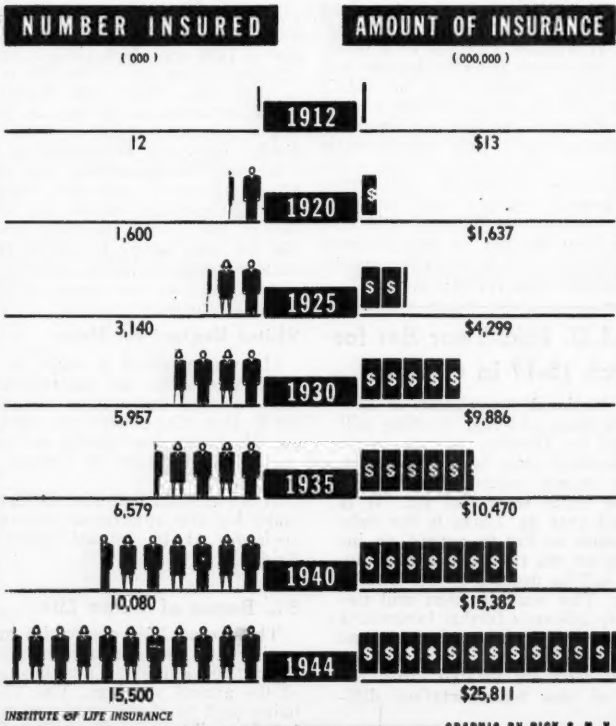
Prudential has advanced Arthur L. Stephans and W. Jackson Letts to assistant secretaries. Mr. Stephans has been supervisor of the northern group since the beginning of 1944 and Mr. Letts has been a supervisor in the ordinary agents department since April, 1942.

New Alberta Superintendent

Ralph R. Moore, manager of the Alberta government insurance office, has been appointed superintendent of insurance of the province of Alberta, and also becomes first commissioner of the province. He succeeds Edmund Trowbridge, who has been insurance superintendent for nine years.

He is succeeded as manager of the provincial insurance office by Robert G. Grieve, coordinator of services, who has both banking and insurance experience.

HOW GROUP LIFE INSURANCE HAS GROWN



Insurance Alert to Social Trends, Johnson Asserts

NEW YORK—Life insurance as an instrument of social service must be prepared to grasp the opportunity open to it by the growing social trend in our national life to further develop and solidify its usefulness to the people, Holgar J. Johnson, president of the Institute of Life Insurance, declared at the annual meeting of the institute here.

In determining over-all policies Mr. Johnson said this trend toward greater emphasis on social action and thinking cannot be overlooked. This trend must be recognized in discharging management responsibilities when it comes to dealing with such questions as social security, the returning veterans' National Service Life Insurance and a broader distribution of life insurance protection to meet the needs of all the people.

"On social security," he said, "the various elements of the business are approaching agreement on a position based on a broad social interpretation of this question—an interpretation guided by the public interest and not by selfish considerations. Our next step is to see that the public understands our position and appreciates the reasons for it and then to work constructively to promote a socially desirable answer to questions posed."

"Taking a helpful position on NSLI is only one phase of our social responsibility to the returning veteran. More fundamental are the plans of employment made to provide equal or better jobs for them than when they entered service. Reorientation of the returning veteran will be essential."

He suggested that the companies set up in home office and agencies advisory services for the veterans manned by veterans to give aid on life insurance and to supply guidance on the G I bill of rights.

Much, he declared, remains to be done in seeing that all segments of society get the full benefits possible through life insurance. He recommended studies to ascertain how far life insurance has penetrated through all segments of society and how its services can better meet the needs of people in each economic group.

The public has gained a new concept of the life insurance business as a public spirited servant of the national interest through the cooperative advertising program of the Life Insurance Companies in America, Henry C. Flower, Jr., vice-president of J. Walter Thompson Co., declared in outlining this program. The leadership taken by the companies in combatting the wartime trend toward rising prices, he said, has made an effective contribution to enlisting public interest and support for the national effort to prevent inflation.

The program, he said, has spread a realization of the social and economic usefulness of life insurance and, has identified the interest of policyholders with the national interest.

Real Estate Holdings of Companies at Low Point

Real estate holdings of life companies are the smallest since 1933, while the percentage of such holdings to total assets is smaller than any year since 1930, the Institute of Life Insurance estimates. Real estate sales for 1944 total \$229 million and at the end of the third quarter total holdings were \$1,131,000,000 of which another \$223 million is under contract for sale.

Of the total holdings, \$270 million are farm properties and \$861 million is city properties, including home office buildings. Of the total not under contract for sale, one-fourth represents home office properties.

New York Life Makes Several Changes in Midwest

The Milwaukee and Wisconsin branch offices of New York Life will be consolidated Jan. 1, and Richard P. Koehn will become agency director of the new enlarged Milwaukee branch office.

Mr. Koehn is now agency director of the Nebraska branch at Omaha, where he has made an outstanding record. Following his graduation from Iowa State College in 1932 he joined the New York Life as an agent. In 1936 he was appointed agency organizer for northern Illinois and in 1940 was transferred as agency organizer to South Dakota. He was made agency director there in 1941 and then transferred as agency director to Nebraska.

Reiss to Madison

Carl Reiss, agency director of the Wisconsin branch, is being promoted to agency director at Madison, Wis. Mr. Reiss joined the company as a clerk in the Wisconsin branch in 1914. In 1930 he was appointed agency organizer there and in 1940 agency director of the Wisconsin division of the Milwaukee branch.

Walter Weissinger becomes agency director at Minneapolis. He is now agency director at Madison, where he has made an outstanding record. He joined the company as an agent at Des Moines in 1929, and qualified for the \$200,000 Club during his first year. He became agency organizer at Des Moines in 1930 and in 1931 transferred to the Nebraska branch. In 1935 he became agency director at Fargo, subsequently transferring to the Wisconsin branch and then to the Milwaukee branch.

Major Carl Ledgerwood, former agency director, has asked for release from the army and will take over as

Mass. Mutual Life Urges Retention of N.S.L.I.

SPRINGFIELD, MASS.—Discharged service men returning to civilian life should be strongly encouraged to continue their National Service Life Insurance in force, Massachusetts Mutual Life states in a bulletin issued to general agents.

This insurance, offered by the government to all members of the armed forces, "is for many men the first coverage they have ever bought; and it can well be made the cornerstone of a well balanced life insurance program," it is pointed out.

For use in their contacts with returning veterans, agents are being supplied with copies of the Veterans Administration booklet, "Continuance of National Service Life Insurance." As changes are likely to be made from time to time in various provisions, it is suggested that veterans check with local offices of the Veterans Administration concerning interpretations. Many veterans dropped

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agency director of the Nebraska branch. L. D. Chapin has returned to the field to complete his Nylic.

Chas. R. Fink, formerly agency organizer at Kansas City, has been transferred to Peoria as organizer-in-charge until Dec. 31 when he becomes agency director.

Agency Director J. Y. Hamilton of the Branch has asked to retire, which he will do Jan. 31. Agency Director E. M. Selser of Springfield, Ill., will move to Louisville to take over there. Agency Organizer R. D. Peterson, formerly of the Missouri Clearing House, is being transferred to Springfield where Jan. 1 he becomes agency director.

Business Men Laud Private Group Plan

Physicians Committee Holds Forum in N. Y. on Industry Programs

NEW YORK—The growth of group insurance plans in private industry is a tremendous, progressive force against the growth of government medical and sickness insurance, Dr. Morris Fishbein, editor of the American Medical Association "Journal," told the conference on employe insurance plans sponsored by the National Physicians Committee for the Extension of Medical Service here. The Wagner-Murray-Dingell bill has probably passed into "innocuous desuetude" now that the election is over, but new bills of the same type may be expected to be introduced, he said.

The conference afforded an opportunity for group life, accident and health company men to meet with others representing industry and the medical profession and do some effective work in promoting the growth of private group insurance plans. Unfortunately, few insurance men were on hand. The business men present indicated an eagerness to find some kind of an insurance plan which could be fitted to the needs of their employes and business men and doctors gave eloquent testimonials to private insurance.

Results of a survey of the public attitude toward private insurance plans made for the physicians committee were given by Dr. Claude Robinson, president Opinion Research Corporation, Princeton, N. J. He said public opinion had not yet crystallized on the question of whether government medical and hospital insurance is preferable to insurance plans sponsored by the private companies and the medical profession. He expressed confidence that the decision would not be favorable to government insurance if business, insurance companies, and the medical profession continue to work together on the problem.

Dr. Robinson said the survey showed people are interested in some kind of a prepaid medical and hospital insurance plan and only a minority have such insurance. Those who are covered under a private group plan disapprove of a government plan. A majority have had difficulty in paying their hospital and doctor bills. A majority favor a plan sponsored by private interests and believe that under a government medical plan their choice of doctors would be limited. Only 5% are concerned about the cost of ordinary illness, but 63% believe that an easier method of meeting the cost of unusual illness or surgery can be provided.

Existing Programs Analyzed

Group insurance programs actually in operation in 1,327 business and industrial firms employing 4,109,443 workers were analyzed by the committee. Of these, 91% of the employes were covered by some type of group plan distributed among the various types of coverage as follows: 92% of the plans provided life insurance, either alone or in combination; 78% hospitalization; 60% weekly sickness benefits; 58% surgical care, and 12% medical care.

Employers showed overwhelming sentiment in favor of group plans; 92% said it improved morale, 72% said it increased individual efficiency; 44% said it reduced absenteeism; 53% said it helped production, and 94% said it improved employer-employee relationships.

The operation of the programs has made manifest "an almost universal need and a clearly crystallized demand for protection of workers on a voluntary prepayment basis against financial loss through illness and also to provide for hospitalization and surgical care cost

William Penn to the Inhabitants of Pennsylvania

Before Penn came from England to his new Province, there were already some few settlers established there, Dutch, Swedes, Finns, and English. Before he came overseas he wrote a friendly letter "to the Inhabitants of Pennsylvania."

Quoting:—

"I wish you all joy and happiness, here and hereafter. These are to let you know that it hath pleased God in his Providence to cast you within my lot and care . . . I hope you will not be troubled with your change and the King's choice, for you are now fixed at the mercy of no Governor that comes to make his fortune great. You shall be governed by laws of your own making, and live a free and, if you will, a sober and industrious people. I shall not usurp the right of any or oppress his person . . . In short, whatever sober and free men can reasonably desire for the security and improvement of their own happiness, I shall heartily comply with, and in five months resolve, if it please God, to see you. In the meantime submit to the commands of my deputy so far as they are consistent with reason . . . Prosper you and your children after you. I am your true friend."

1644-1944 WILLIAM PENN TERCENTENARY

THE PENN MUTUAL LIFE INSURANCE CO.

WILLIAM H. KINGSLEY
Chairman of the Board

JOHN A. STEVENSON
President

INDEPENDENCE SQUARE, PHILADELPHIA

for dependents," Dr. E. H. Cary, chairman of the board of the committee asserted.

"Voluntary group insurance is one of the answers we must provide to prevent legislation calling for compulsory insurance," Dr. L. H. Bauer, vice-president of the American Medical Association, declared. He pointed out that in Germany and England, the worker who does not pay for medical care does not get it because the state systems are not universal in their application. In this connection, Dr. Fishbein said the British Medical Journal reported a rapid rise in the use of patent medicines in connection with the development of the National Health Insurance plan in England, and commented "they do these things much better in America."

Cites Medical Progress

Dr. Fishbein declared that medical progress in the United States since the war had outstripped the rest of the world and a great post war task would be to bring the rest of the world up to the standards attained in the United States. He described developments which would have an enormous effect in reducing mortality after the war.

Dr. Fishbein criticized the recent report of the social security board bureau of statistics on medical prepayment

plans as based on out-of-date figures. It showed 219 such organizations in operation covering 5 million persons in 35 states, based on 1940-42 statistics. At present, he said, there are 18,000 plans in operation covering 18 million. One-third of all physicians, 32,000, are associated in such plans. The board, he said, is concerned with propaganda contesting with the medical profession for the administration of medical care.

The surveys showed that 22% of all employed persons work for employers who provide some plan of group insurance for paying the costs of illness.

Niles Trammell, president National Broadcasting Company, described its group plan. There is no longer a choice between individual and institutional control, Dr. H. D. Simpson, economist, declared. The choice now is between two types of institutional responsibilities, private and public. J. M. Pratt, administrator of the committee, said the goal was to bring at least 25 million additional persons and their dependents under the services of private plans. This will be achieved through the cooperation of industry and business, the insurance companies, and the medical profession.

Labor, as represented by the C.I.O. and A.F.L., undoubtedly has committed itself to the expansion of the social security program to include a nation wide

sickness insurance program, Dr. Fishbein said. Another speaker said the C.I.O. was a highly important political factor and it was rumored it was preparing the greatest lobby ever seen in Washington.

Other speakers were Dr. G. H. Coleman, treasurer, Dr. W. F. Braasch, secretary, and Dr. E. H. Skinner, trustee.

Mass. Mutual Life Urges Retention of NSLI

(CONTINUED FROM PAGE 3)

their war risk insurance after the former war, Massachusetts Mutual points out, only to learn later that injury or illness had disqualified them from securing new life insurance. As a result, the families of many veterans were left without the benefit of life insurance protection they might have had.

George G. Taylor, 46, assistant manager of the Richmond, Va., district of Metropolitan Life, a brother of Charles G. Taylor, Jr., first vice-president of Metropolitan Life, and Herbert C. Taylor, secretary of Home of New York, died of a heart ailment at Richmond, following a brief illness. Another brother, James Q. Taylor, is with Northwestern National Life at the home office.

McCarran Illness Blow to Walter Bill Advocates

WASHINGTON — Hopes of supporters of insurance states rights legislation were dashed early this week by word that Senator McCarran is ill with a "strep" throat at his home in Nevada. He had been counted upon to return promptly and lead the fight for the Walter bill to exempt insurance from the anti-trust laws.

Its supporters are reported now trying to get Senator Bailey, North Carolina, co-author of the bill, to call it up for Senate consideration. Bailey told THE NATIONAL UNDERWRITER he would prefer McCarran taking charge.

O'Mahoney Not Pleased

Senator O'Mahoney, Wyoming, studied the insurance commissioner substitute bill over the week-end and is reported not too pleased with it. Friends of insurance legislation say O'Mahoney will not sponsor the bill, but plans to use it as the basis for argument against the Walter bill. O'Mahoney is reported to have expressed disappointment that the insurance interests have not agreed upon legislation.

He is understood to hold that the subject should be further investigated before legislative action is taken. This course could be followed by the Senate or House judiciary committees, or by a joint or special committee set up for the purpose or by some government department. The two judiciary committees held joint hearings during the past year on the Bailey-Walter bills.

The U. S. Chamber of Commerce says that "the Supreme Court decision that insurance is commerce has created a situation for insurance which must be met by some form of remedial Congressional legislation or federal regulation of the business will be inevitable, even though such regulation is not openly advocated by any group."

The chamber indicates that Senator Hatch, New Mexico, will offer a bill along lines of the N.A.I.C. measure and that the former will be offered as a substitute to the Walter bill. Possibility is seen by some of disagreement among opponents of the Walter bill.

The chamber says it supports the Walter bill which, it says, McCarran "may be expected to bring before the Senate about Dec. 1."

Some observers see the only possibility for passing the Walter bill would be in the form of a rider attached to some general legislation—appropriation, or what not—overriding Congressional rules, which are sometimes honored more in breach than in observance.

Commissioner Agger and Deputy Commissioner Gough of New Jersey have written a joint letter to each of the New Jersey U. S. senators and the senator-elect expressing their full accord with the legislative proposal submitted to Congress by the executive committee of the National Association of Insurance Commissioners and urging the senators' support thereto rather than to either the Bailey or the Walter bill now pending in the senate. They express belief that the commissioners' proposal is for the best interests of the public and insurers.

A "full-fledged government probe" into the insurance business "may be instituted" before the end of the present session of Congress, Walter Winchell, radio commentator said in his Sunday evening broadcast over the Blue network. He said that the "bill nullifying the supreme court's decision on insurance (meaning the Walter bill) is not expected to pass Congress this session."

N. Y. Sales Up \$10 Million

Estimated sales of ordinary in New York City were \$57,865,000 which compares with \$47,907,000 reported for October, 1943.



Haven or Heartbreak

THE Lincoln National Life Mortgage Redemption Plan guarantees a home owner's family a debt-free home in the event of his untimely death — a sure haven for his loved ones.

This plan is tailored to the needs of the borrower. Its face amount reduces as the mortgage reduces. The cost which reduces regularly (except at certain

older ages), is exceptionally low. For example: A borrower aged 30, with a \$3,000 15-year mortgage would pay an average net annual premium of only \$16.92 — just \$5.64 per \$1,000.

Increasing numbers of LNL men find this contract a valuable sales tool in today's market.

The Lincoln National

Fort Wayne 1



Life Insurance Company

Indiana

More Than One and One Half Billion of Life Insurance in Force

ONLY ONE YOU ...



PLENTY of prospects, but only one you? Losing business now, and perhaps more in the future, because you cannot be in a dozen places, all at the same time?

Should be cultivating your new prospects and re-cultivating those called on once or twice, but can't neglect those who are ready to close?

Need to multiply your selling personality, don't you? Can't do that without help, can you?

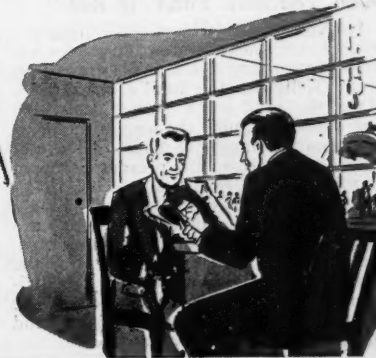
WANT A SUGGESTION?

In cultivating the prospects that you will call on tomorrow, next week and the week after, while you are calling on those already cultivated, Direct Mail advertising can give you needed help.

It will multiply your selling personality, representing you in the mental presence of many prospects, all at the same time, with only one "if" ... **IF YOU WILL USE** Direct Mail advertising, *thoughtfully and consistently.*

Massachusetts Mutual
LIFE INSURANCE COMPANY
Springfield, Massachusetts

BERTRAND J. PERRY, President



Courts in Conflict on Whether Pearl Harbor Was War

Whether the Japanese attack on Pearl Harbor constituted war so as to prevent recovery of double indemnity benefits under a life policy of a victim has now been answered by two courts in contradictory fashion. The circuit court of the Territory of Hawaii some time ago in the case of Pang vs. Sun Life of Canada, held that the attack came under the war exclusion clause and double indemnity benefits are not payable.

The federal court for the western district of Louisiana, in *Savage vs. Sun Life*, has now held that it was not an act of war within the meaning of the exclusion and that the accidental death benefits are payable.

The insured was an ensign in the navy. Sun Life had offered to pay the \$2,500 face of the policy but had denied liability for \$2,500 accidental death benefit.

The Louisiana court stated there can be no doubt but that the attack by the Japanese was intended as an act of war on their part which eventuated inevitably in a declaration of war by both countries. However, the word or term as used in the policy must be interpreted in a manner that can be applied and understood in a more definite sense, rather than depend upon the violence or inconsequential nature of the acts of the attacker. If a state of war is to be judged by the latter circumstances it would exist or not, according to the opinion of the particular court construing it. On the other hand, if it is held to mean a condition accepted or recognized by the political authority of the government which is attacked whether through an actual declaration of war or other acts clearly demonstrating such position then there would be a criterion which could be readily understood and applied to cases no matter what the circumstances might be.

Panay Attack Cited

The attack by the Japanese forces upon the Panay in China might have led to war but did not and the attacks upon American vessels by German submarines which led up to the first world war, were attacks of violence that did not immediately bring about a war.

The court concluded that the language of the policy contemplated a condition where both we and the nation attacking us would first have to know and understand that we are engaged in a conflict of arms.

The policy excluded "death resulting from war or any act incident thereto." According to the court, the phrase "incident thereto" would seem to contemplate an incident such as the striking of an enemy mine or the loss of life in the act of taking off or landing of a military plane from an aircraft carrier, etc.

Shotwell & Brown represented the beneficiary and Montgomery, Fenner & Brown, R. M. Bernstein were attorneys for Sun Life.

Mich. Teachers' Fund "in Red"

LANSING, MICH. — Michigan's teacher retirement fund is actuarially unsound, according to a report to Governor Kelly by the fund's board. To place the fund on a sound basis, the board declared, nine changes in the present program must be made. "The net deficit in regard to the present group of members", the report stated, "is \$75,686,295 and this deficit will undoubtedly increase unless corrective steps are taken." Annual income, it was noted, has been less than expenditures for the past four years. Both teachers' contributions and state assistance should be materially increased to place the fund on a sound basis, it was advised.

Figures in Manufacturers Changes



J. H. LITHGOW

LEIGH M. MCCARTHY

J. H. Lithgow, who has been elected vice-president and general manager of Manufacturers Life, joined the company in 1908 as a clerk in the actuarial department. He became an associate of the Actuarial Society of America in 1911, an associate of the Institute of Actuaries of Great Britain in 1912, and a fellow of the Actuarial Society of America in 1923.

He served for three years overseas with the Canadian Field Artillery in the last war, returning to the company in 1919. In that year, although then only 28 years of age, he was appointed assistant actuary. Appointed actuary in 1924, he became assistant general man-

ager and actuary in 1929, general manager and actuary in 1931 and a director in 1936.

He has served the business as president of the Canadian Life Insurance Officers Association, Dominion Mortgage & Investments Association and Life Insurance Institute of Canada.

Leigh M. McCarthy, newly elected vice-president, in 1921, following many years of experience in the field of banking, joined with the late W. Harold Mara to form the investment firm of Mara & McCarthy, members of the Toronto Stock Exchange. Mr. McCarthy became a director of Manufacturers Life in 1938.

Directs Election Among People's Life D. C. Agents

WASHINGTON — A secret ballot election has been directed by the National Labor Relations Board to be held within 30 days among industrial agents employed in the Washington Districts 1 and 2 offices of People's Life of Washington to determine whether they desire to be represented by Industrial & Ordinary Insurance Agents Union No. 23316, A.F.L., for the purposes of collective bargaining.

The board found this group of agents to constitute an "appropriate unit" under the Wagner labor relations act. Superintendents are excluded. NLRB points out it held, in the Life of Virginia case, that organization of agents throughout the District of Columbia is comparable to organization on a statewide basis, and says that accordingly a coextensive unit of agents is appropriate.

Last January, the board says, George L. Russ, president Industrial & Ordinary Insurance Agents Council, advised People's Life the union was petitioning for investigation and certification of representatives for company agents and superintendents, here in its two district offices.

The company, says the board, replied it did not believe the unit sought was appropriate and that the union would first have to be certified by NLRB. Hearing was held here last September before an NLRB examiner, whose report and recommendations constitute the basis for board action. During the proceeding the company moved to dismiss the petition, but the board denied the motion.

W. George Hartauk, 67, agent of Bankers Life of Iowa, died in an Ottumwa hospital. He had been with Bankers Life for 17 years and was a member of the company's Premier Club since 1938.

Aetna Life Group Sponsors Television Program

Aetna Life and affiliated companies sponsored a special Aetna program Nov. 27 over television's first multiple station network. According to Stanley F. Withe, manager of the advertising and publicity department, this was the first regularly sponsored commercial television broadcast by an insurance organization. The program, one of a series to be telecast by Aetna, originated in the NBC studios of station WNBT in New York City. The program also was telecast over station WPTZ, Philadelphia, owned by Philco Radio & Television Corporation, and over WRGB, the General Electric station in Schenectady, and it was estimated reached an audience of 30,000.

The program showed a number of scenes enacted in Hartford, some in the Aetna home office building. Most of the actors were members of the home office staff. The scenes were filmed by Aetna's motion picture bureau, and the film, especially prepared for television was projected at New York before the special television cameras. The "commercials" used described complete multiple-line insurance facilities, one being a montage showing various policies written by the Aetna companies. This, Mr. Withe commented, was the first visual insurance advertisement ever to be flashed through the ether.

The Aetna companies in 1939 had a television receiver in the agents' lounge in its New York World's Fair exhibit, where educational films televised from NBC's experimental station in New York City were shown. Since then various Aetna educational films have been televised on Station WNBT on an experimental basis.

J. C. Higdon, executive vice-president of Business Men's Assurance, has been elected secretary and a director of the Kansas City Club.

Retroactive Tax Collection in Okla. Invalidated

OKLAHOMA CITY — Once more the validity of the Oklahoma 4% premium tax imposed on foreign insurers has been upheld. The supreme court of Oklahoma held that the tax is not unconstitutional and also that the insurance department had no right to collect the tax on premiums paid prior to April 25, 1941, the effective date of the law. The opinion further ruled that the state has the right to collect a gross premium on foreign insurance companies for the privilege of writing business within its confines.

The higher court ruled that when a life insurer gives its client the cash surrender value as provided in the policy, it is not such a cancellation as would entitle the company to reimbursement for the taxes paid on the premium collected.

Refund on Tax Ordered

The opinion was rendered in the case of Lincoln National Life filed against the insurance commissioner and state treasurer asking for refund of \$6,238 as the tax it paid at 4% on premiums collected in 1941. The opinion held that the commissioner had no right to collect the tax on premiums paid before April 25 that year and ordered him to return \$847 of the tax collected. The court also held that the state can at any time change the conditions on which a foreign insurance company can do business in Oklahoma.

This 4% tax has been extensively litigated. Great Northern Life went to the U. S. Supreme Court with it, but lost the decision.

In this new decision Lincoln National won a partial victory in getting invalidated the collection of the 4% on premiums received from Jan. 1-April 25, 1941. The effective date of the law increasing the tax from 2% to 4% was April 25, 1941, but the state insisted that the companies pay the 4% on their entire 1941 writings. Presumably the other companies will now claim a refund on account of taxes retroactively collected.

S. T. Whatley Is Gravely Ill

Seaborn T. Whatley, agency vice-president of Aetna Life, is critically ill at Hartford hospital. Mr. Whatley recovered from a serious illness about a year ago. He was stricken again Nov. 11. His brother, F. C. Whatley, Aetna Life general agent at San Francisco, arrived in Hartford Monday.

Insurance Group to Hear Rep. Hatton Sumners Dec. 8

WASHINGTON—H. E. Hilton, in charge of the U. S. Chamber of Commerce insurance department, announces that Hatton W. Sumners, chairman House judiciary committee and a leader in the fight for insurance states rights legislation, will address a dinner session of the chamber's insurance committee at the Waldorf-Astoria hotel, New York, Dec. 8.

The insurance federal legislative situation is scheduled for consideration at the meeting. Reports will be made by the committees on aviation and marine insurance, and social security.

Besides Judge Sumners, speakers will include Howard Volgenau, manager governmental affairs department of the chamber.

The marriage is announced of Miss Ernestine Bearg, daughter of Ernest E. Bearg, general agent at Minneapolis for Equitable of Iowa, and Ensign Robert S. Bryant.

Harris Named Pilot Life Manager at Charlotte, N. C.

R. F. Harris, formerly with New York Life, has been appointed manager of Pilot Life at Charlotte, N. C., with offices in the Johnston building.

Mr. Harris was with New York Life from 1940, having joined that company



R. F. HARRIS

at Atlanta. Subsequently he was promoted to the Charlotte office and during his first year there ranked third in agency work in the district, which covers six southern states. In 1943 he led in organization work in the area.

As manager of Pilot Life he will have the Charlotte territory, including Mecklenburg and eight surrounding counties, including a part of South Carolina.

Ganse Author of Book on Available Tax Exemptions

Franklin W. Ganse of the Ganse-King Estate Service, Boston, is author of a book giving a digest of 186 legitimate exemptions available in connection with the distribution of property through wills, trusts, gifts and life insurance. It is published by the Insurance Research & Review Service of Indianapolis and the title is "Neglected Exemptions in Connection with Estate Planning."

Mr. Ganse includes a great many practical suggestions and case examples for effecting savings and it is intended as a work book rather than a theoretical textbook.

The classification system is devised to guide the user to any type of exemption quickly.

Mr. Ganse has studied estate planning many years and is an authority on the matter of exemptions.

John D. Pearson Mentioned as Indiana Possibility

In the speculation as to who is likely to be appointed Indiana insurance commissioner by the new Republican governor, to succeed Frank J. Viehmann, Democrat, the name of John D. Pearson of Indianapolis is being mentioned. Mr. Pearson is special agent for Glens Falls Insurance Company and has been active in Republican affairs.

Americans Save \$52 Billion

American families have saved more than \$52 billion during the three war years, the Institute of Life Insurance reports. Nearly \$22 billion has been saved in 1944 or \$54 monthly per family. Total savings in war bonds, bank deposits and life insurance are now about \$112 billion, an average of \$3,300 per family and an increase of nearly \$1,500 per family since Pearl Harbor.

Group for Trade Units, Dependents Proposed in Cal.

SAN FRANCISCO—Several extensions of group life coverage are being proposed by the California legislative study group. Coverage could be issued to employer members of a trade association formed for purposes other than obtaining insurance and in existence for five years prior to the issuance of the policy under one provision. The policy would have to cover not less than 75% of eligible employees of at least 50% of the total employer members of the trade association unless the total number of lives at date of issue exceeds 600, in which case the policy must cover at least 75% of the eligible employees of 25% of the employers.

Another measure would extend coverage to dependents if 75% of the insured employees or 75% of any one class so elect. Coverage would be limited to 50% of that on the insured employee with the following maximum limits based on the age of the dependent at time of death: Under six months, \$100; under two years, \$200; under three, \$400; under four, \$600; under five, \$800, and five years and older, \$1,000. Dependents are defined as a spouse or child under 18. Premiums could be paid by either the employee or the employer or jointly.

Credit group life would be limited to \$10,000 on any one life for loans repaid by installments over a period not exceeding 20 years.

Regulations are proposed for writing selected group disability. Coverage is written under individual policies covering five or more employees of business firms and public agencies or to 10 members or more of any association in existence for at least two years and formed for other than insurance reasons.

There are a number of proposed changes in the law governing benefits and relief associations including a minimum membership of 1,000 with a maximum death benefit of \$500 or disability benefit of \$500 payable within a 12 month period.

NSLI, U. S. Bonds Not Tax-Exempt in Wisconsin According to Tax Counsel

MILWAUKEE—Government life insurance and government bonds are no more exempt from Wisconsin inheritance taxation than are private securities, Neil Conway, Madison, inheritance tax counsel of the Wisconsin department of taxation, declared at the annual meeting here of the Wisconsin State Board of County Judges. He observed that there is a widespread misconception that war bonds and service life insurance are tax exempt and that this has resulted in the frequent failure to report such assets of estates.

Iowa Legislative Prospects

DES MOINES—A number of insurance measures will come before the Iowa legislature when it convenes Jan. 8. A separate agency qualification measure for life agents is expected.

Life companies are expected to bring up a bill changing the statutes on investment of life funds and possibly include changes on the state depository law.

Another life bill expected would place burial societies under the insurance laws. A similar bill failed to reach enactment at the last session.

Clarification of group insurance employer-employee relations is also proposed.

John Farber, president of Service Life, won over 11 other bidders to pay \$380,000 in war bonds for a Holstein calf at the annual sale of the Nebraska Holstein-Friesian Association in Omaha.

A unique and important book . . .



is helping to build U. C. Sales

"Mental Adjustments" by Dr. William Muhlberg, Medical Director of Union Central Life, has been widely acclaimed as a very unusual and valuable contribution to popular medical literature. Refreshingly simple and human in its analysis of borderline mental operations . . . written so that any layman can read it with fascinated interest . . . yet professionally complete and authoritative.

The Union Central agency force has been able to make very effective use of this additional sales aid contributed by the Medical Department—professional men particularly have been eager to receive copies.

"Mental Adjustments" is much more than a sales aid. But it provides an additional example of the very fruitful inter-departmental cooperation which is characteristic of Union Central—a type of cooperation which has made U. C. widely known as an "agents company."

The UNION CENTRAL LIFE INSURANCE COMPANY

CINCINNATI, OHIO

Over \$475,000,000 in Assets

Friend Dies Without Adequate Protection

In a stirring article in "Con Mu Topics," H. J. Ransom, associate general agent in New York City for Connecticut Mutual Life, admits he "muffed the sale" of a \$20,000 family income policy on a personal friend who could have well afforded to pay for that amount of coverage. The friend, only 33, was a perfect example of health and vigor until he was struck down suddenly with a streptococcus infection from which he died eight months later. Mr. Ransom had outlined an insurance program for the man but because he was a personal friend, he hadn't pressed him for an answer. Although the friend earned around \$15,000 a year, and had \$12,000 of personal insurance and \$5,000 group, Mr. Ransom felt that he should have had at least \$20,000 family income so that his wife wouldn't have had to get a

job. "The life insurance business, in recent years, has been stressing low pressure," Mr. Ransom said. "This is perfectly in order, providing the individual agent never loses sight of the fact that the institution of life insurance was designed to take care of widows and little children."

Mr. Ransom is very humble about his failure to exert pressure, pointing out that "the future of the institution depends upon our ability to serve as life insurance representatives and not as tax experts."

Redlich Hits 1,000 Weeks

E. H. Redlich, general agent at Springfield, Ill., for Franklin Life, has completed 1,000 consecutive weeks in the App-A-Week Club. He joined Franklin in 1912. For 28 consecutive years he qualified for membership in the Quarter Million Dollar Club. For eight years his business totaled more than \$500,000 annually.

WHEN TOMORROW COMES

Life Insurance Companies have contributed largely to the stabilization of our Nation's economic life during these three war years. A survey of the total Government Bond purchases of the American Life Insurance Companies indicates that considerably more than the premium income has been invested in War Bonds.

This enormous volume of dollars was accumulated by the companies through the individual deposits of the policyholders whose lives are insured in the various companies. When Tomorrow Comes—the Bonds held by these life insurance companies will be held until their maturity date, thus contributing again to the future stabilization of our economic structure.

It is a recognized fact that these tremendous volumes—of life insurance in force, of premium incomes and of Bond accounts of life insurance companies, have been created by the efforts of the life insurance salesmen. The American Agency System is responsible and to these many individuals, all praise is due for their untiring efforts and efficient service.

Great Southern Salesmen throughout the Company's thirty-five years of service have contributed their share to these totals. We are proud of their accomplishments. When Tomorrow Comes their efforts will be continued so that life insurance benefits will be extended to an even larger degree than ever before.

GREAT SOUTHERN LIFE INSURANCE COMPANY

L. S. ADAMS, PRESIDENT

HOME OFFICE: HOUSTON, TEXAS

Wisconsin Air Group Asks NSLI for Aviation Risks

MILWAUKEE — The Wisconsin Civil Air Corps has passed a resolution asking for federal legislation to enlarge the scope of National Service Life Insurance to permit any pilot licensed by the Civil Aeronautics Authority, including student pilots, and any person desiring to use civilian aircraft as a means of transportation and who has passed the physical examination to purchase life insurance at the rates and terms that are available to active servicemen.

Spokesmen for the Wisconsin organization stated that the life companies have failed to assume their responsibility to the insuring public in connection with coverage involving aviation. After Pearl Harbor, they claimed, under the guise of a war clause but combined therewith, companies inserted an aviation exclusion clause not previously included. Before this, life insurance purchased by those not flying had no aviation restrictions and, hence, if such a purchaser later began to fly his coverage was not limited.

Many companies refuse to consider coverage on anyone who flies, while others issue contracts providing no coverage for aviation accidents, except air line travel, other than to return the premiums paid, it was stated. One company is making a feeble attempt to write aviation risks but at rates loaded far in excess of premiums charged by accident companies for aviation accidental death. The aviation industry will be severely handicapped unless NSLI is made available the organization believes, and it has asked other aviation groups to support its program.

Carstens with New England

A. S. Carstens has joined the Pomeroy agency of New England Mutual at Detroit, having resigned as group manager in Detroit for John Hancock.

Mr. Carstens joined John Hancock in 1937 in Los Angeles, moving to Kansas City in 1938 and to Detroit in 1944 as manager of the group department. He was largely responsible for writing the Ford Motor Company group case involving 150,000 employees and \$200 million of group life insurance. This is the largest group case ever written in plants in one city or state.

N. Y. Insurance Federation Meets

NEW YORK—At the annual meeting of the Insurance Federation of New York President W. H. Lucas of Leroy was reelected. C. D. Connell, Provident Mutual general agent, New York is a member of the executive committee. Governor Baldwin of Connecticut was the principal speaker. He emphasized the need of retaining control of insurance regulation in the states.

E. R. Gettings, Albany; S. D. Rosan of New York City, and F. D. Russell, president of Security Mutual Life of Binghamton, are also members of the executive committee.

Felix U. Levy, 42, Engelsman agency of Penn Mutual, New York, and a life member of the Million Dollar Round Table, died in a hotel from a heart ailment following an agency luncheon. He joined Equitable Society in 1928 after his graduation from Columbia University and has produced \$1 million or more annually since he has been with the Engelsman agency.

Lt. Com. Charles J. Zimmerman, former president of the National Association of Life Underwriters and general agent of Connecticut Mutual Life in Chicago, has been promoted to a command in Washington, D. C., where he is doing special work in association with Capt. Gerald Eubank, former general agent of Aetna Life and later manager of Prudential in the east, who now is an officer in naval service as coordinator of war bonds.

Hulse to Harrisburg, Pa., for Continental American

Continental American Life has appointed George F. Hulse manager at Harrisburg, Pa. For the past eight months Mr. Hulse has been at the home office of the company as an agency assistant.

Prior to that, Mr. Hulse had six years experience in personal selling, supervision, and agency management with Phoenix Mutual Life. He is a graduate of the school of business, University of Kansas, and of the Sales Research Bureau agency management school.

Before entering insurance he was with General Electric.

Joseph G. Creamer, for eight years general agent for Continental American in Harrisburg, will be associated with Mr. Hulse.

Constitution Life Formed

LOS ANGELES—Constitution Life, which has been in process of organization here for some months, has completed its preliminary organization and has applied to the department for a certificate. It is capitalized at \$250,000 and has a surplus of \$200,000, all paid in. Victor F. Pettrich is president.



★ HERBERT L. SMITH, G.A. AT HARRISBURG FOR THE NORTHWESTERN MUTUAL, WRITES AN INTERESTING ACCOUNT OF AN EXPERIENCE ONE OF HIS MEN HAD WITH R & R's "A HANDBOOK FOR THE VETERAN OF WORLD WAR II."

J. P. BISSETT, one of Mr. Smith's associates, laying his lines for the days when the boys will come home and when they will constitute a major prospect market, send a copy of the booklet to Sgt. X, somewhere in "Sunny Italy."

The sgt. promptly replied, saying, "What do I think of the booklet you sent me? All the fellows I know have read it and I have a waiting list now on hand. I think it will make the rounds of the camp before I get it back."

"We all agree that this booklet answers more completely all of our questions than anything we have run across. I am quite sure that any other soldiers to whom you sent the booklet appreciate it very much. Thank you very much for sending it to me. It was very thoughtful of you to do so."

HERE IS A SPLENDID IDEA FOR BUILDING POST-WAR FRIENDSHIPS WITH THE MEN IN THE SERVICE. WHY NOT SUGGEST IT TO ONE OF YOUR BETTER MEN?

PAUL SPEICHER
Managing Editor
THE INSURANCE RESEARCH & REVIEW SERVICE
INDIANAPOLIS

Plan

By Editor.

During the war, the Canadian press has been selling by the war bond and other active public relations.

And now, armed forces, 1,000 return day to the day and agency, their sense of the need for the consoling and the security and the

1. Assist services to in force.

2. Reinforce training of office employees.

3. Define National Service, the equipment, the conservation, and the security and the

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Planning for Peace Matures

Life Companies Demonstrate Sense of Responsibility in Approaching Day of Transition

By ABNER THORP, JR.,
Editor, Diamond Life Bulletins

During the war years, the life insurance companies of the United States and Canada have added enormously to their prestige with the public. Bond selling by the agency forces, purchases of war bonds by the companies, institutional advertisements promoting health and combating inflation—these and other activities represent an outstanding public relations job.

And now that demobilization of the armed forces is already beginning, with 1,000 returning veterans reporting every day to their draft boards, the companies and agencies are further demonstrating their sense of responsibility in the planning for the peace. This planning is proceeding along three important lines:

1. Assistance to policyholders in the services to keep their present insurance in force.
2. Reinduction, reeducation and retraining of returning agents and home office employees.
3. Defining company policy regarding National Service Life Insurance, including the education of active agents to equip them to advise returning GI's in the conservation of government insurance, and its integration with social security and private commercial coverages.

Helps to Policyholders in Uniform

Many of the companies have kept in constant touch with their policyholders by sending the company house organ and specially prepared literature designed to maintain company prestige, to keep the service man or woman enthusiastic about the life insurance already owned, and to stimulate desire for further coverage upon return and re-establishment in civilian life.

Some companies are arranging to allow service men to continue the payment of premiums on a monthly basis after discharge and until they can adjust themselves to resume regular annual or semi-annual payments. This accommodation is especially emphasized because, contrary to some opinions, the average service man will not have sufficient funds to meet his current obligations and re-establish his normal standard of living, and at the same time pay his life insurance premiums on an annual basis. It must be remembered that the mustering-out pay will be not more than \$200 or \$300, payable not in a lump sum, but in two or three monthly installments.

A further important concession to policyholders in military service is the liberalizing of reinstatement provisions of lapsed policies. Most cases are considered individually on their particular merits, although automatic reinstatement is sometimes permitted if the lapse has occurred within 30 to 90 days after the end of the grace period. These concessions apply whether the lapse has occurred during military service, or has happened inadvertently after discharge.

This action on the part of the companies has not received much publicity, but it will prove extremely valuable in keeping insurance in force during the trying period of readjustment when the veteran returns home.

Civil Relief Act Problem

Another service to policyholders which is just beginning to be seriously considered by the companies is the formulation of a procedure for conserving business which is now under the protection of the soldiers' and sailors' civil relief act, and hence will be threatened with lapse when general demobilization begins, and during the two-year period within which indebtedness to the government for premiums paid will have to

be liquidated. Already many of the companies have stated that immediately upon receiving notification of the discharge of a policyholder, a letter will be sent to him giving the status of his policy, his rights and privileges under the civil relief act, with suggestions of plans for the resumption of premium payments and the gradual liquidation of his debt to the government. General agents will also be stimulated to keep in personal touch with such policyholders in their territories.

Such plans are badly needed, since it is not generally recognized that a policy will terminate two years after discharge if the cash surrender value at that time is less than the indebtedness.

The extent to which some companies go in the protection of their policyholders is evidenced by the fact that one institution has in its head office a master file, supplemented by a similar individual file in each agency, containing the names of all policyholders in the service, including their classification as prisoners of war, missing in action, etc., and a list of disability or double indemnity clauses which have been terminated through military service.

The companies generally have expressed themselves as willing to restore the original clauses upon evidence of insurability—mostly of the short form type—some companies being satisfied with the non-medical form or a health statement from the applicant.

The periods within which such clauses may be reinstated vary all the way from one year to five years.

The Reorientation Process

Maj. Gen. William F. Tompkins, director of special planning division of the War Department general staff, recently explained the situations and attitudes of service men and women when they are taken from civilian life and absorbed into the armed forces. His statements apply with equal force to the transition back to peacetime existence, and are so cogent and authoritative that they should be quoted in part:

"Along with our preparations for partial demobilization goes a realization that men returning from the army to civilian life experience a change fully as abrupt and difficult as that which they face when they come into the army in the first place. We are all familiar with the process of adjustment and training required to turn Joe Jones, a free-thinking, free-acting, freedom-loving civilian, into GI Joe, a first-class fighting man.

"First he has to be oriented to the army way of life. He undergoes a series of written tests, field tests and medical examination. He goes through intensive field training and formalized schooling and learns to become part of an organized unit. A bugler awakens him in the morning, a first sergeant assigns him duties, a company commander leads him, a mess sergeant prescribes his diet, and an inspecting officer sees that his bed is made, his mess kit clean and his shoes shined.

Develops as an Individual

"But that is not the only kind of change that is taking place in the life and habits of our citizen-soldier. At the same time that he is becoming familiar with discipline and routine, he is developing as an individual. He is acquiring new strength, new skills and new knowledge, all of which will help make him a better and more useful citizen when he comes home.

"We have never subscribed to the totalitarian concept of military training as a process to force men's minds into a strait jacket. It has always been our aim to make our army not only the best

(CONTINUED ON LAST PAGE)

A JOB FOR
BOTH PARTIES...
THE 6TH WAR
LOAN, AND, AS
USUAL, LIFE
INSURANCE
WILL LEAD THE
WAY.



The
**NATIONAL LIFE
AND ACCIDENT
Insurance Company, Inc.**



HOME OFFICE
NASHVILLE
NATIONAL BLDG.
TENNESSEE

EDITORIAL COMMENT

Cousins Should Study One Another

In the viewpoints that have been expressed in the consideration of the insurance federal issues one is impressed by the fact that there is a gulf between the life insurance element on the one hand and the fire-casualty group on the other. Also, in the undercurrent, there is evidence that as between the fire and casualty interests there is not the understanding of each other's problems and necessities that one would expect to exist.

These business cousins, it may be, know just enough about each other because of superficial similarities to cause them to overrate their knowledge and to refrain from examining each other's situations as intelligently as they would look into some entirely unrelated industry. The judgments that have been formed and enunciated without a trace of misgivings by one branch of insurance on the operations, needs, faults, and procedures of the other have demonstrated an absence of true understanding which is essential to a unified position and program. It would be worthwhile for life insurance executives to make as close a study of the fire insurance picture as, for instance, their investment departments make of the utility industry, and fire insurance people might become more understanding cousins if they would make as much of an effort to see what makes a life insurance man tick as they do to learn, for example, about the hazards of the synthetic rubber program.

The necessity for the various segments of insurance to keep in step is underscored by the federal legislation problem. The insurance commissioners association, with several individual dissenters, has gone to Washington, supported by life insurance interests, with a program that is hostile to the objectives of the fire and casualty position. Some thoughtful leaders in the industry have felt it is not essential for insurance to present a united front on federal legislation and that, as a matter of fact, a divided opinion might tend to

dissipate any suspicion that insurance is solidly behind some self-serving program. However, the prolonged and open debate on the issues should be evidence enough that the insurance business was not moved by some automatic reflex. When the S.E.U.A. opinion was handed down we urged that all elements in the business and the insurance commissioners strive to develop a single industry program that could be taken to Washington on the theory that if there were a division, it would afford an opportunity for unsympathetic legislation to gain support.

The insurance group has not been able to reconcile its differences as to what should be sought in the way of an amendment to the antitrust laws. We are not convinced that it would be a calamity if either proposal were enacted, but the danger, it seems to us is, that the trade conflict creates the temptation to Congress to accept neither of the alternatives but to initiate legislation that may be undesirable.

In the deliberations following the S.E.U.A. decision we detected a tendency to develop attitudes and formulate positions in a somewhat frozen way. Perhaps the differences were irreconcilable, but had the underlying knowledge of one branch of the industry been more intimate on the part of another, had there been a better understanding and appreciation by executives in one field of how executives in other fields are conditioned by the nature of their operations and associations the discussion would have been more flexible and less compartmented.

Quite possibly the current legislative impasse will not prove fatal, because Congress seems not disposed at this time to originate insurance legislation. But in the years ahead we predict that capitol hill will have frequent occasion to deal with insurance and it is important that the insurance business strive to follow an industry line with each branch taking into account the necessities of the others.

N.A.L.U. Conference Plan Worthwhile

The idea of having trustees and officers of the National Association of Life Underwriters visit local associations and then participate afterwards in a state conference, such as was done recently in Illinois, gets real results. State conferences are effective in developing the local groups but when the officers tra-

vel the state beforehand they are able to get a better grasp of the local situation and talk about actual cases rather than theory, thus enhancing the value of the gatherings.

It was interesting to note that at the Illinois banquet in Peoria when N.A.L.U. President W. H. Andrews,

Jr., presented facts and figures concerning the association that the audience paid close attention. As such information is not particularly appetizing unless one is really concerned in the subject, such a response shows that the idea of taking the national to its members, only a small percentage of whom ever attend national meetings, is well worthwhile.

PERSONAL SIDE OF THE BUSINESS DEATHS

Daniel Boone, A.L.C. Former Head, Dies

Daniel Boone, vice-president of Kansas City Life and a former president of the American Life Convention, died of coronary occlusion on Sunday.

Mr. Boone was born Sept. 7, 1879, at New York. He attended Culver Military Academy. His life insurance ca-



DANIEL BOONE

reer began in 1898 when he became a clerk for New York Life at St. Louis, with which company his father had been associated for the previous 28 years.

In 1909, Mr. Boone's father organized Midland Life of Kansas City, and Daniel Boone became secretary. He advanced to vice-president and agency manager in 1917 and was president from 1920 to 1941. Midland Life was purchased by and reinsured in Kansas City Life in 1941. Mr. Boone continued to serve as a vice-president of Kansas City Life until his death.

Mr. Boone served the A.L.C. on many committees, as well as occupying the position of state vice-president for Missouri for several years. He was elevated to the presidency in 1932.

He had been confined to his home for eight weeks, before his death. Funeral services were held Thursday afternoon, and burial is to be at Bellefontaine Cemetery, St. Louis, Friday.

The A.L.C. was officially represented at the funeral services by L. L. Graham, vice-president Business Men's Insurance; Walter W. Head, president General American Life; W. Ralph Jones, president National Fidelity; and R. H. Kastner, associate general counsel. A brother, Louis Boone, is west coast

After spending a year at Jefferson City as delegate-at-large, helping write a new progressive constitution for Missouri, **Stratford Lee Morton**, general agent of Connecticut Mutual Life, was chosen as campaign chairman of the Greater St. Louis War Chest drive to raise \$5,265,000 and has successfully completed that campaign with something to spare.

A. N. Kemp, board chairman of Pacific Mutual Life, has been named a director of Chase National Bank. He also is president of American Airlines and a director of Standard Oil of California and Southern California Edison Co.

C. Runcie Clements, board chairman National Life & Accident and one of the group of employees who in 1900 formed National Life, was the subject of a recent personality sketch in the Nashville "Banner." Mr. Clements started as a bookkeeper for a wholesale drygoods firm and then for several years was a drygoods "drummer," using a wagon and team of mules to haul his six trunks of samples over southern Kentucky and portions of Tennessee. A recognized authority on federal taxation, Mr. Clements is rated as an exceptionally good bridge player by reason of his unusual mathematical ability. One of his keenest interests is the study of language. Having completed a study of French, he is now learning Spanish.

Ashley C. Tobias, Jr., president of Palmetto Life, Columbia, S. C., has been elected president of Organized Business, Inc., of South Carolina.

Ward Van Buren Hart, assistant actuary of Connecticut General Life, has completed 30 years with that company. He graduated from Yale in 1914 and joined the actuarial department of the company that year. He became assistant actuary in 1924. His work has been in general actuarial planning and research. He is a fellow of the Actuarial Society of America and American Institute of Actuaries and an associate member of the Casualty Actuarial Society.

James Welsh of the Newark agency of Mutual Life has a record of 552 consecutive weeks of production. He has also qualified for 16 years consecutively for the National Field Club.

Julian Price, president of Jefferson Standard Life, was the guest of honor at a dinner in Dallas, attended by R. M. White, Dallas manager; Felix Hargis, Fort Worth manager, and their associates, and at a luncheon in San Antonio, with O. P. Schnabel, manager, associates and friends present. He was presented a birthday cake in San Antonio. He went from San Antonio to New Orleans and from there home.

Paul E. Tierney, assistant auditor of John Hancock Mutual, has been elected a director of the Boston chapter of the National Association of Cost Accountants.

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advertising manager for the Hearst Publications.

Ralph R. Ellis, 74, district manager of Aetna Life at Cedar Rapids, Ia., died there from a cerebral hemorrhage. He had represented Aetna for 32 years.

Howard H. Burkhardt, 53, assistant manager of the Wertimer ordinary agency of Prudential in Buffalo, died. Mr. Burkhardt joined the agency in 1933 after success as realtor and banker. He was a major in the last war.

COMPANIES

Agricultural Life Condition Improves But Action for Receivership Is Brought

LANSING, MICH.—The Michigan attorney general's department, at the request of Commissioner Forbes, has petitioned the Ingham county circuit court to designate a receiver for Agricultural Life of Detroit. Judge Carr set Dec. 11 for hearing on the petition.

Mr. Forbes explained the action was taken, paradoxically, not because the company's financial position has deteriorated but because it has improved sufficiently to warrant taking it out of conservatorship if additional capital were provided. The company was placed in conservatorship in 1938 when an impairment existed wiping out capital and making it questionable whether assets would cover reserves. Appreciation in real estate values and other assets made the company's status as of last Dec. 31 such that a capital contribution of some \$335,000 would make it possible to turn the insurer back to stockholders.

Mr. Forbes said several meetings have been held with stockholders at which no agreement could be reached regarding a contribution and an adverse opinion from the attorney general precluded any reduction in capitalization. Inasmuch as the present status of the company penalized policyholders, Mr. Forbes felt that a receivership, which would permit him to ask for bids for reinsurance proposals from other companies, appeared the only solution. He said the policyholders were issued participating certificates in proportion to their policies at the time of the conservatorship order and have been allowed to borrow only on cash values accruing since that time, leaving their old cash values frozen. All death claims have been met and, with the improved condition of the assets, Commissioner Forbes feels that policyholders now should have their borrowing rights restored.

Deputy conservators in active charge of the business are S. D. Tilney, Lauren Schleh of Detroit, and F. G. Christman of Ann Arbor.

A stockholders meeting is being held in Detroit this week in an effort to devise some plan that will avoid a receivership. The most important factor in the ownership now is John MacArthur of Chicago, president of Bankers Life & Casualty, who recently purchased 44% of the stock from the Olmsted interests of Des Moines.

Okl. Companies Change Names

The name of National Aid Life of Oklahoma City has been officially changed to National Life Assurance, with \$100,000 capital.

An amendment to the charter of Hospital Insurance Co. of Oklahoma City changes the name to Standard Life & Hospital, with capital of \$50,000. W. R. Emerson is president and P. C. Daman, secretary-treasurer.

1930's from Cosmopolitan Old Line Life of Lincoln.

The 5,587 certificates were issued on a unit basis, and represent 30,721 units. Each investor generally will be returned the money invested, but no interest for the past seven years.

Cosmopolitan was adjudged insolvent in 1936, and turned over for liquidation to the Nebraska department. Lincoln Liberty Life reinsured all ordinary life business and agreed to service the thrift certificates at a \$1 annual charge per unit.

Fidelity Union Capital Increase

Fidelity Union Life of Dallas has increased its capital from \$300,000 to \$500,000 through a stock dividend.

Aetna Life Dividends

Aetna Life has declared an extra dividend of 30 cents a share as well as the regular quarterly dividend of 30 cents. The extra exceeds by 10 cents the extra that was paid in 1943.

McAnally Occidental Supervisor

Roy W. McAnally has been appointed home office supervisor of Occidental Life of California, with headquarters in Denver. He has been with Prudential and Security Life & Accident, and prior to 1938 was manager of the life insurance department of the Van Schaack Co., Denver. Before entering life insurance, Mr. McAnally was in the investment banking business with Bosworth, Chanute, Loughridge & Co.

New Postal Union Officers

T. Kirk Hill has been named first vice-president of Postal Union Life of California. He is president of the Kirkhill Rubber Company and heads several other corporations. G. M. Gannon, former superior court judge and legal counsel, was also elected a vice-president.

Arthur Cresse, former president of the

California Funeral Directors Association, who recently merged his two mortuaries with the Utter-McKinley Mortuaries, affiliated with Postal Union Life, was elected a vice-president and is active in the funeral insurance department. Mayor H. McKinley, president of the Utter-McKinley Mortuaries, is also president of Postal Union Life.

Craig Industrial Agency Head

Union Life of Little Rock has appointed A. W. Craig industrial agency director. He is a native of Arkansas and a graduate of the University of Arkansas.

Wettaw Joins Bankers L. & C.

M. H. Wettaw, who for eight years was an examiner for the Illinois department and more recently has been engaged in accident and health and hospitalization insurance field, has joined Bankers Life & Casualty of Chicago.

Henry Waltemade has been elected a director of Manhattan Life. He is a real estate executive in New York City and is president of the New York State Association of Real Estate Boards.

Otis A. Thompson, president National Bank & Trust Co., Norwich, has been elected a director of Security Mutual Life of Binghamton.

C. L. U.

Estate Seminar in St. Louis

More than 200 attorneys, accountants, bankers and life insurance men and women attended the estate planning institute sponsored by the St. Louis C.L.U. chapter to hear Howe B. Cochran, New York and Washington attorney, lecture on estate planning. The afternoon topic was "Uses of Life Insurance in Estate Planning" and in the

RECORDS

General American Life—The largest volume of life business submitted in any single month was the highlight of the tribute paid President Walter W. Head during the October President's month campaign. A total equivalent volume of \$7,161,351 registered during the campaign in life, group, and commercial accident and health represented an increase of 28% over the same period for 1943.

Equitable Society—In October total insurance in force, ordinary and group, passed the \$8% billion mark. On Oct. 31 the figure was \$8,759,589,785.

evening Mr. Cochran talked on "Benefits of Estate Planning, Taxwise and Otherwise," which involved life insurance only incidentally.

Following each address a panel of experts from the audience, who sat on the platform with the lecturer, answered in "Information, Please" style questions turned in by the audience. The panel consisted of Judge A. B. Frey, St. Louis attorney; John P. Butler, Mercantile Commerce Bank & Trust Co.; John H. Leaver, general agent of Mutual Benefit Life, and Marlin A. Muth, in charge of the tax department of Price, Waterhouse & Co.

Dean Speaks in Buffalo

BUFFALO—Lewis A. Froman, dean of the school of business administration of University of Buffalo, spoke to the Buffalo C.L.U. chapter on "Compulsory Military Education."

Madison Chapter Elects

Nathan J. Spector has been elected president of the Madison, Wis., C.L.U. chapter. Harold R. Noer, Wisconsin Life, is vice-president, and C. Rex Welton, Continental Assurance, secretary-treasurer.



hastened now by long dark years of bitter conflict but ever stronger in the faith and determination which will lead us to victorious peace, we know the time will come when mankind will turn to the task of building a new world on the ruins of the old. Then will the genius and wisdom of peace-loving peoples, wherever they may be, seek to heal the wounds of terrible strife and restore the sacred altars of freedom, happiness and security throughout the earth. Then it is sure that one undying word of our language will take on new strength and purpose. And that word is CO-OPERATION.

Nation and nation, neighbour and neighbour, employer and employee — all will be inspired to work together for the greatest common good and the security of all.

CO-OPERATION is not a new word . . . For generations it has been identified with the basic principles and purpose of Life Assurance. For generations it has made possible sure protection of millions of our citizens on this North American continent. For generations, Canada's leading life company has demonstrated that CO-OPERATION is the password to a better way of life.

SUN LIFE OF CANADA

"Security by Co-operation"

\$700,000 for "Thrift Certificates"

LINCOLN, NEB.—The district court here will soon issue an order for the distribution of nearly \$700,000 in cash among several thousand Nebraskans who bought thrift certificates during the



For \$10,000—

he wouldn't go back to the business for which he was technically trained. That was his salary when he left his former profession to come with the Western Life. Today his earnings top the old salary, but more important still—he is his own boss, and his income-earning years have been lengthened.

He says his Western Life contract gives more compensation than would accrue for a like degree of success in any other occupation.

General Agency Openings -- In California, Washington, Idaho, Montana, Utah and Wyoming for men who can qualify as personal producing general agents. *Check our Financial Statement.*

WESTERN LIFE INSURANCE COMPANY

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Since 1910
Assets \$19,411,479.95

Surplus to Policyholders \$2,650,000

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They Are Looking Ahead

Never before have people so seriously thought about their future. The problems that must follow the War—safety of investment—cost of living—hazard of unemployment—limitations of business opportunity—concerning these questions millions of Americans seek answers. **Life Insurance** is one great answer. **Fidelity Mutual** provides that answer in concrete form—complete modern coverage backed by solid financial security. It equips its agents with adequate selling tools and trains them with sympathetic supervision and co-operative leadership. Fidelity is a friendly company.

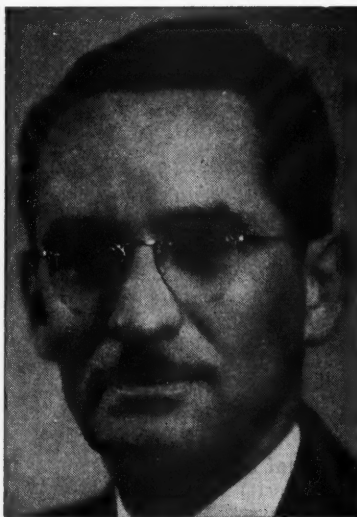
The **FIDELITY MUTUAL LIFE
INSURANCE COMPANY**
PHILADELPHIA

E. A. Roberts, President

LIFE AGENCY CHANGES

McCarter Becomes La. General Agent

Grady S. McCarter has been appointed Kansas City Life's general agent in Louisiana with headquarters in Shreveport. He has been in the business for 24 years, serving for 12 years as agent, assistant manager, and manager, and for the last 12 as superintendent of agencies and agency vice-president of American National of Galveston. Recently, he resigned to reenter



GRADY S. MCCARTER

the selling field. Mr. McCarter has become well known in insurance throughout the country through making many addresses at insurance meetings.

For many years he has been active in civic work and politics. He is president U.S.O. council, chairman Committee on Economic Development & Post-War Planning for Galveston county, Tex., and a director of the chamber of commerce.

Associated with him in Louisiana will be his son, Grady McCarter, Jr., who is a graduate of University of Texas in business administration and who did advanced work in insurance. He is expecting to complete his C.L.U. work in June, 1945.

N. W. Mutual Names Habegger in Seattle

J. F. Habegger has been appointed general agent of Northwestern Mutual Life in Seattle to succeed Myron H. O. Williams as of Jan. 1. Mr. Williams, who has been with the company con-



M. H. O. WILLIAMS



J. F. HABEGGER

tinuously for more than 40 years, has resigned from management duties for personal reasons but will continue to be associated with the agency.

Mr. Habegger joined Northwestern Mutual in 1929 and became a leading producer in the Williams agency, winning company and agents' association honors and qualifying for various produc-

tion clubs. He has qualified for the Million Dollar Round Table, including membership in 1944. He holds the C.L.U. designation.

He has done considerable work in the field of estate analysis and programming and has written a large volume of business insurance. A past president of the Seattle Association of Life Underwriters, he is also active in civic affairs and is the immediate past president in Seattle of the University of Michigan Alumni.

After attending Milwaukee schools and Beloit College, Mr. Williams became a special agent of Northwestern Mutual in 1903, and joined the home office agency staff in 1909. His duties included regular visits to all agencies and as a result he became well known throughout the field. He resigned as assistant director of agencies in 1927 to become general agent in Seattle. During his tenure the agency has shown a steady growth.

Angert Returns to Penn Mutual as Cincinnati G. A.

Richard W. Angert, Columbus, O., supervisor before he went into the army, has been named Cincinnati general agent by Penn Mutual Life. He was a captain in the army reserve corps when he was called to active duty with a coast artillery regiment in 1941 at Camp Hulen, Tex. He was commissioned a major in 1942 and transferred as intelligence officer of the brigade, later transferred as plans and training officer. After Pearl Harbor he was stationed in San Diego. In July, 1942, he was

Doing today's job
today—

That explains how
Guardsmen made

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10 months of 1944

than in any 12

since 1929.

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commissioned a lieutenant colonel. Last January he attended the command and general staff school at Fort Leavenworth, and afterwards was battalion commander of an AA training battalion at Fort Bliss, Tex. He will shortly be placed on the inactive reserve status, remaining a lieutenant colonel until after the war, then major.

He was a director of the Columbus Life Underwriters Association before he entered the army. At San Diego he was in the National Service Life drive, selling \$31,000,000 insurance.

Col. Angert attended the University of Cincinnati and Ohio State University. His first business experience was with Remington-Rand. He entered life insurance with Penn Mutual in 1937 in Columbus. For three years he was a supervisor there and was a winner in his first year of the president's club for new organization.

Browning to N. Y. Life in Cincinnati

CINCINNATI—Charles C. Browning is the new agency director of New York Life here, taking the place of George B. Skiff, who had been in charge for the past three years. Mr. Skiff has returned to Grand Rapids, Mich., where he was agency director for a number of years before coming to Cincinnati.

Mr. Browning started with New York Life in Chicago 17 years ago in the inspection end of the business, and was district inspector in Pittsburgh for nine years. For the last two years he has been agency organizer in Pittsburgh.

L. P. Gepford, agency organizer in the Cincinnati agency, has moved to the Detroit agency.

Fowler Named at Amarillo

Capitol Life of Denver has appointed Edward R. Fowler agency manager at Amarillo, Tex.

Mr. Fowler formerly was assistant general agent in Amarillo for Republic National Life.

Opens New Brunswick Office

J. Bruce MacWhinney, general agent of John Hancock Mutual Life in Newark, has opened a detached office in New

Brunswick under the direction of Sidney Sklarew as supervisor. He has been with a district office of the company for several years and has been the leading producer of that agency in ordinary business.

Allan Bailey Makes Change

Allan Bailey, who has been acting Houston manager for Jefferson Standard Life, has joined the Byron S. Griffith agency of American National at Galveston as assistant general agent. Mr. Bailey has been with Jefferson Standard six years and has been one of that company's leading producers. He is immediate past president of the Galveston Association of Life Underwriters.

N. F. Parr to Occidental

Nevin F. Parr has been appointed by Occidental Life of California as manager at Grand Rapids, Mich. He had been with Lincoln National Life 10 years, recently as associate general agent in Grand Rapids. He started with that company as a home office employee, then was a leading producer in the home office agency. For a time he was supervisor in Detroit.

Occidental has not heretofore had an office in Grand Rapids, although it is represented in Detroit and Lansing.

Central Life Coast Appointments

Central Life of Des Moines has appointed J. J. Gregory general agent at Spokane, Wash., and Mervyn F. Eward at Astoria, Ore. Mr. Gregory, who has had 20 years life insurance experience, will share offices with Ben Smick, who also represents Central Life in Spokane. He has placed close to \$15,000,000 of business during his insurance career and sold \$400,000 in 1943.

Lytle Aetna Life's Movie Head

Alfred Y. Lytle has been appointed to supervise the motion picture bureau of Aetna Life affiliated companies. He was formerly connected with Photo Products, Inc., and with the Ampro Corporation, manufacturers of motion picture equipment, before he went with Aetna Life organization in 1940.

SALES MEETS

Equitable Managers Confer in N. Y.

NEW YORK—Discussions on securing new organization, recruiting from returning army and navy men, the assured minimum income plan for agents, use of the apprentice agent's plan, and opportunity for group coverages featured the two-day conference here of Equitable Society's Eastern Managers Association.

Maurice H. Mitnick, association president, presided while general arrangements were directed by Ted Miller, secretary-treasurer.

President T. I. Parkinson forecast highly encouraging figures in Equitable's forthcoming annual statement. He said there would be a substantial increase in assets, predicting that the gain would be the largest in history.

The home office is giving considerable attention to advancing the interests of

Equitable agents, Mr. Parkinson pointing to the improved commission contract, the extension of group insurance and retirement benefits, and to the assured minimum income plan, all designed to attract and maintain high-class agency personnel on a permanent career basis. He encouraged managers to develop their territories more thoroughly, particularly in view of the opportunities for building strong organization through recruiting from among the large number of returning war veterans.

Declares First Dividend

Hoosier Farm Bureau Life, established in 1937, has declared its first policy dividend, it was reported at the annual meeting of agents in Indianapolis. Nearly 300 agents attended the gathering at which leading producers spoke. Alden Palmer, R. & R. Service, talked at the banquet.

Pay Over \$15 Million

In the first nine months soldiers paid \$15,500,000 in premiums on civilian life policies through the War Department's office of dependency benefits.

And now... ANOTHER NEW POLICY

When the case calls for a combination of Life Insurance with Accident and Sickness insurance, nothing does the job quite so well as

The New POLICY WITH A HEART

Here, in one package, is complete protection, not only for death, old age and money emergencies, but also against loss of income and savings when accident or sickness strikes.

Another typical example of "The Occidental Way" to "More Peace of Mind Per Premium Dollar."

Occidental Life

INSURANCE COMPANY OF CALIFORNIA

HOME OFFICE ★ LOS ANGELES

V. H. Jenkins, Vice-President

"We pay lifetime renewals—they last as long as you do"

WANTED HOME OFFICE SUPERVISOR

A short time ago we started a comprehensive Expansion Program, which calls for doubling our insurance in force in the shortest possible time. We are already well on our way. In fact, we are ahead of schedule, but we need help in the field in order to take full advantage of our opportunities.

We need a capable supervisor, who wants a good, permanent connection with an unusually sound and aggressive company. His work will consist mainly of:

1. Making bank connections in rural territory for our present Special Agents.
2. Helping to secure more Special Agents.
3. Training, supervising and helping these Special Agents.

We have a Special Plan that produces leads far beyond your probable expectations. Our Special Expansion Program Plan actually enables our Special Agents to produce from two to five times the amount of business they would otherwise do.

Here is really an outstanding opportunity if you can qualify.

If you are interested, write us in confidence giving full particulars about yourself.

AMERICAN RESERVE LIFE INSURANCE COMPANY

Farm Credit Building

OMAHA 2, NEBRASKA

Raymond F. Low, President and Agency Manager

NEWS OF LIFE ASSOCIATIONS

Hold Birmingham Congress for Industrial Agents

BIRMINGHAM, ALA.—The Birmingham Association of Life Underwriters held its annual sales congress for industrial agents Saturday with more than 100 in attendance. Featured speaker was George E. Ellison, traveling supervisor and personal producer of Life of Virginia, who spoke on "Family and

Retirement Income." As a champion of a visual sales presentation, Mr. Ellison has personally produced more than \$1,500,000 yearly for seven years.

Other speakers at the all-day session included A. R. Worley, industrial manager of Prudential, on "Prospecting"; R. G. Hicks, agency director Employers Life of Birmingham, "The Value of the Underwriters Association to the Agent," and Robert J. Seay, Birmingham manager of Metropolitan Life, on "Conserva-

tion of Industrial Insurance as It Applies to the Policyholder, the Agent and the District."

Form State Association in La.; Schroeder President

The Louisiana State Association of Life Underwriters was organized at the annual sales congress in Baton Rouge last week. Roy A. Schroeder, general agent of Pacific Mutual Life, New Orleans, was elected president. Vice-presidents are Emmet Webb, manager Great Southern Life, Baton Rouge, and M. O. Carter, manager Jefferson Standard, Shreveport. Leonard Dahlman, Prudential, New Orleans, is secretary-treasurer. Committee appointments will be made shortly by President Schroeder.

The sales congress was highly successful, with more than 300 in attendance. Speakers included Jul Baumann, Houston general agent of Pacific Mutual and N.A.L.U. trustee; Dr. E. G. Simmons, executive vice-president of Pan-American Life; Cecil Woods, president of Volunteer State Life; Herbert A. Hedges, Kansas City, general agent of Equitable of Iowa, N.A.L.U. past president; Gale F. Johnston, third vice-president of Metropolitan Life; John P. Costello, million dollar producer of Southwestern Life, Dallas, and Paul Speicher, R. & R. Service.

The 1945 sales congress will be held in Shreveport next November.

NSLI Seminar Is Held by Memphis Association

MEMPHIS, TENN.—Life insurance men face a great challenge in aiding veterans to keep their National Service Life insurance in force, J. L. McMillin, manager of Mutual Life, declared at a seminar here. Returned veterans must be urged to hold on to the full value of their insurance at least until they get adjusted in civilian life and know whether they can pay for the additional conversion premium. Other speakers included I. M. McFadden, president Memphis Association of Life Underwriters, and Lew Callow, General American Life, a past president. Mr. McFadden declared that service men have valuable rights under NSLI but very little has been done to explain the rights and benefits of the converted, permanent policies. Qualified life agents must help them take full advantage of their full conversion privileges.

Chicago Advisory Council Meets

The advisory council of the Chicago Association of Life Underwriters met

at luncheon Thursday to hear reports on the work of various committees. R. D. Hinkle, Equitable Society, is chairman. The council consists of a key man from each life agency.

San Francisco—"The Approach, the Presentation and the Close" was the foundation of the Nov. 30 program, presented by the C.L.U. chapter.

Thomas A. Gallagher, Prudential, and William H. Dunkak, Aca cia Mutual, handled the approach; Leonard M. White, Northwestern Mutual, and Walter J. Lennox, New England Mutual, the presentation; Charles H. Linford, C.L.U., Johnson & Higgins, and Don B. Wentworth, Wentworth Company, the close.

South Bend, Ind.—Dr. George W. Davis of Purdue University spoke on "New Plans for Insurance Education." Plans were discussed for participation in the sixth war loan drive.

Dayton, O.—Henry S. Stout, general agent of John Hancock Mutual, discussed "Sex and Showmanship in Selling" at the Nov. 29 meeting.


Cincinnati—The second of a series of three sales seminars is being held Friday. Glen W. Isgrig, Reliance Life, will discuss "How I Sell the Income Idea," and W. B. Stevens, Ohio State Life, "How I Sell by Simple Programming."

The annual Christmas party for the underprivileged children of the Sequin School will be held Dec. 31. Florence Cornuelle, president of the women's division, is in charge of arrangements.

Rochester, N. Y.—Clifford H. Orr, Philadelphia general agent National Life, Vt., and N.A.L.U. trustee, spoke on "Motivation."

Birmingham, Ala.—B. N. Woodson, vice-president of Commonwealth Life, spoke on "A Philosophy of Achievement."

Richmond, Va.—Vernon L. Phillips, home office supervisor of Fidelity Mutual Life, spoke on "Telephone Technique." The telephone, he said, should be useful in making an appointment these wartime days, but never for writing business. Principal points stressed were: (1) Develop strong positive mental attitude. (2) Write and practice approach. (3) Smile when you speak. (4) Be brief and frankly state business, ask-



RELIANCE LIFE

INSURANCE COMPANY
OF PITTSBURGH

Life • Accident • Health

More than
\$600,000,000
Life Insurance in Force

LIFE REINSURANCE

North American Reassurance Co.

LAWRENCE M. CATHLES, *President*

110 East 42nd Street

New York 17, N. Y.

Protection in a "Global" Era



World-wide protection is more of a necessity as distances diminish and every nation becomes a next door neighbor. Now more than ever, you will need to provide your clients with all around protection.

The USLife specializes in foreign coverage for civilians working or living abroad, and offers a complete portfolio of regular Life, Accident and Health, and Group forms for home front needs. To assure the best selection, scope and service—here or around the globe—call the nearest USLife general agent.

THE UNITED STATES LIFE
INSURANCE COMPANY
IN THE CITY OF NEW YORK

ing appointment. (5) Choose words carefully and time talk. (6) Terminate conversation as soon as appointment is made. (7) Don't try to get more than one appointment.

Jacksonville, Ill.—Ernest A. Crane, Indianapolis general agent of Northwestern Mutual Life and N.A.L.U. trustee, spoke on what the National association stands for. The Illinois association was represented by John L. Taylor, Springfield, Mutual Life, chairman legislative committee. James Patton, secretary, represented the Springfield association. Mr. Crane discussed organization plans, and by request also discussed a program of life insurance selling.

Huron, S. D.—Guy H. French of Sioux Falls, agency director of New York Life and president of the state association, discussed the proposed state-wide essay contest for high school students, "Future Security Through Social Security and Life Insurance." Each association will sponsor the contest in its particular area, with war savings stamps of \$10 and \$5 for first and second place. The two winning essays of each association will go to the state association and the three best essays will be awarded \$25, \$15 and \$10 in war bonds and stamps.

He discussed the advisability of associations urging congressmen to further liberalize the National Service Life Insurance act to give beneficiaries of those who have already died the privileges of the amendments to the act passed in September.

Detroit—President L. L. Mackey, Home Life, presented 100% membership certificates to the general agents and managers of Berkshire, Occidental, Northwestern National, National Life of Vermont, John Hancock Mutual (ordinary), Dominion, Great-West, McLauren agency of Aetna; Schauer and Ryan agencies of Penn Mutual, Connecticut General, Connecticut Mutual, Pacific Mutual, Equitable of Iowa, Monarch, Manhattan and Massachusetts Mutual.

Boston—William H. Andrews, Jr., N.A.L.U. president, will speak Dec. 5.

Massachusetts—In connection with the state conference in Worcester, Dec. 6-7, N.A.L.U. officers will speak to the following local associations: Clancy D. Connell, vice-president, Fitchburg, Dec. 4; Taunton, Dec. 5, and Fall River, Dec. 6; James E. Rutherford, executive vice-president, Holyoke, Dec. 6; W. H. Andrews, Jr., president, Worcester, Dec. 7.

Spokane, Wash.—Fifteen members of the C.L.U. group at Farragut, Idaho, headed by Lt. Francis Brosnan, were guests. J. P. Williams of the American College discussed the "Richest Mine," the opportunities of service to the community and the world.

Tacoma, Wash.—Veterans Administration officials discussed the status of government insurance and the work connected with insurance needs of the armed forces. The association has gone on record as willing to act in an advisory capacity for returned veterans so that their interests may be safeguarded.

Lincoln, Neb.—Arguments for and

AGENCY MANAGEMENT

Success in Recruiting New Men Is Analyzed by Ray Wertz at Mich. Parley

DETROIT—Reasons for his outstanding record in recruiting new men this year without the aid of any financing plan, of whom 13 are still with the agency and are producing on a paying basis were analyzed by Ray Wertz, Michigan manager Reliance Life, before the Associated Life General Agents & Managers.

The agency has produced \$3,388,000 in the first 10 months of 1944, a 200% increase. Of this, \$1,959,000 was produced by first year men, the four top first-year men producing \$411,000, \$353,000, \$268,000 and \$205,000 respectively.

Of the eighteen men hired in 1944, three are decidedly successful, five are out and the remaining ten are of status as yet undetermined. They are producing, but the agency will not keep men who just "get by." Mr. Wertz predicted that at least seven of these 10 will become successful producers. Every one of the 13 new men still with the agency produced something in his first month in the field, and they averaged a production of \$25,000 per month since their induction into the agency.

In the past 16 months 27 men have been hired and at least 14 will be successful, probably more. Of these 27, two were acquaintances of the manager; 21 were brought in by other agents, three came from advertising and one otherwise. Six of the seven top men among the new ones resigned good positions to go into life insurance; these six had an average income of \$450 per month before joining, yet came into the business to better themselves—and every one of them is earning more than he did on his previous job! All rated excellent on the rating chart, own their own homes, are married and range in age from 40 to 51, averaging 45 years.

Although all new men rated either excellent or good, the more successful the

against socialized medicine were presented by Capt. John J. Ingles of the Lincoln army air field dental corps. He contended the American Medical Association, which has had a committee studying the measure for a long time, is doing a fine job on it.

He believes that some sort of medical measure is almost certain to be passed by Congress, but contended that people should not be limited to the service offered by any setup, governmental or otherwise.

man has been in his previous work, the better he succeeds in life insurance. Thus it is essential to obtain men who have been outstanding in their previous work. A man who was a failure in his previous work almost never becomes successful in the insurance field.

Mr. Wertz gives a new man two weeks intensive schooling in the office, then sends him into the field with an experienced and successful salesman who takes him along to the instructor's own prospects first and shows him how he sells, then goes with him to some of the new man's prospects and helps him get started, sticking with him until the new man makes three sales to his own prospect list. One of the first things the new man does is to supply a list of several hundred men with whom he is acquainted. Engraved announcement cards go out immediately to this list prior to calls.

During his office schooling, the new man is taught to make a package sale

with a visual presentation and is drilled in it thoroughly before going into the field. He carries with him in the field prospecting cards which show him the proper questions to ask to get leads, which is one of the principal reasons for the success of the new men, who always have plenty of prospects as a consequence.

"The chief feature of recruiting," Mr. Wertz said, "is proper selection. Let's quit hiring failures and trying to make successes out of them; it doesn't pay. A salary plan for new men may help, but it is not the ultimate solution. Good men are not seeking salaries; most of them have already been on salaried jobs that reached a dead end."

St. Paul Cashiers Elect

New officers of the Life Agency Cashiers Association of St. Paul are: Karl McElrath, Mutual Life, president; Bernard A. Ferber, Prudential, vice-president; Pearl Ledin, Sun Life, secretary; Ethel Rohrbeck, Massachusetts Mutual Life, treasurer.

Seattle Cashiers Name Officers

The Seattle Cashiers' Association has elected Milton Stinrood, John Hancock, president; Francis Ryan, Provident Mutual, vice-president; Cecelia DeCamp,



"MEN OF ANICO"

Enjoy an exceptional agency contract. This is conducive to successful selling—which is just another way of saying progress. A success story thirty-nine years old.

Gross Income for 1943 \$ 34,467,306.92

Increase over previous year 4,113,050.86

Total Assets 129,200,003.80

Increase over previous year 17,426,812.31

Surplus Protection to Policyholders 18,186,933.52

Increase over previous year 1,252,245.69

Insurance in Force 1,123,640,510.00

Increase over previous year 131,210,924.00

American National
INSURANCE COMPANY

GALVESTON, TEXAS - W. L. Moody, Jr., President

From Birth to 65

STARTING with a complete line of juvenile policies, North American Life producers are in a position to provide for the individual insurance needs of the entire family. For progressive agents who have an eye on the future, juvenile provides a strong foundation on which to build.

AGENCY OPENINGS IN

N. J., Ga., Ohio,
Ind., Mich., Ill.,
Kan., Wis., N. D.,
Neb., Calif., and Mo.

*The North American
Life's gain in assets in
1943 was the largest in-
crease from operating
income in its history.*

**NORTH AMERICAN LIFE
INSURANCE COMPANY**

OF CHICAGO

C. G. Ashbrook, Vice Pres.-Supt. of Agencies
North American Building, Chicago 3, Illinois

National Life of Vermont, recording secretary; Roth Floberg, Manufacturers Life, corresponding secretary, and Burton Baump, Mutual Life, treasurer.

Advice Given on "Hot Checks"

Addressing the San Antonio Life Agency Cashiers Association, Ed Mabrito of the Bexar county district attorney's office, a specialist in "hot check" cases, said the life agency cashier rarely has occasion to accept a check which she does not know to be good. Occasionally someone will buy a policy and give a check for more than the premium,

but this is only when an agent has accepted an application. He showed how checks and orders not checks had been cashed without proper attention to detail.

Smith Heads Minneapolis Club

The Life Agency Cashiers Association of Minneapolis at its annual meeting elected these new officers: President, Stanley R. Smith, Lincoln National; vice-president, Mrs. Alice Irvine, Ohio State; treasurer, Mrs. Gertrude Bunker, Bankers Life; secretary, Miss Ione Sandberg, Mutual Trust Life.

Miss Florence Axelson, State Mutual, is retiring president.

Cashiers Hear Dr. Lee

Dr. L. H. Lee, medical director of Pacific Mutual Life, spoke at the November meeting of the Life Cashiers Association of Los Angeles on "The Medical Director's Viewpoint."

Talk on Employing Veterans

Clyde F. Smooth, state representative of the Veterans Employment Bureau, addressed the November luncheon-meeting of the Life Agency Managers, Inc., of Richmond on placement of returned veterans, pointing out how jobs may be made available to them in life insurance as well as in other lines of work.

Austin Cashiers Organize

The Austin (Tex.) Association of Life Agency Cashiers has been organized with these officers: Mrs. Vonciel Shooter, president; Mrs. Vera Wilson, vice-president; Miss Zoleta Meachum, secretary-treasurer.

R. C. Johnson Newark Speaker

The General Agents & Managers Association of Northern New Jersey will hold a dinner-meeting in Newark Dec. 1. Raymond C. Johnson, assistant vice-president of New York Life, will speak on "Maintaining Your Manpower."

AGENCY NEWS

Honor Woman Manager of North American Life

Miss Mae L. Blake, manager of North American Life of Canada at Grand Rapids, and with that company 31 years, was tendered a testimonial dinner there. D. E. Kilgour, Toronto, president; E. H. Hanley, general superintendent of agencies; John S. Cooper, Detroit manager; E. P. Magee, Lansing manager, and agents from throughout the state attended.

Clayton October Leader

The John E. Clayton agency of Massachusetts Mutual Life in Newark led all agencies of the company in October in paid for business, with more than \$1,000,000.

Honor Lowe, Downing

BOSTON—Ralph Lowe, new Boston manager of Equitable Society, who succeeds William A. Downing, was installed by A. B. Dalager, second vice-president at a luncheon here. Tribute was paid Mr. Downing who is relinquishing his duties because of ill health. Mr. Lowe, who has been a unit manager, joined Equitable in 1932 and has produced at least \$250,000 a year since 1933.

During the national "All out for Victory" campaign of Equitable Society, which resulted in 17,785 applications for \$78,501,031, the R. F. E. Wiedemann agency of San Francisco produced \$1,083,563 in volume with B. H. Sellinger of San Francisco winning the agency grand prize of a \$100 war bond.

CHICAGO

BUSINESS LIQUIDATION FORUM

The Chicago Life Insurance & Trust Council will hold a forum Dec. 5 on "Opportunities in Business Liquidation Plans" at La Salle Hotel. Three phases will be discussed: (1) "Legal Method of Handling Business Purchase Agreements," by Thomas S. Edmonds, attorney, vice-chairman trust committee Chicago Bar Association, and secretary probate and trust section Illinois State

Bar Association; (2) "What a Business Purchase Agreement Should — and Should Not— Contain," by Allan B. Hussander, secretary Continental Illinois National Bank & Trust Co., a member of the American Bankers Association committee for employee trusts, and (3) "Life Insurance as a Method of Financing a Business Purchase Agreement," by Harry T. Wright, Equitable Society, past-president National and Chicago Life Underwriters Associations and past-chairman Million Dollar Round Table. Howell Kitchell, Continental Illinois National Bank, is program chairman.

NEW MEN STILL SCARCE

Although success in recruiting new men varies with different offices, it is felt that as long as Chicago is classified as a critical labor area that it will be difficult to get U. S. employment service approval on changes. Managers who have contacted the service for returned veterans are not meeting with much success.

McDonald Atlanta President

H. L. McDonald, Reliance Life, has been elected president of the Atlanta Association of Accident & Health Underwriters.

H. C. Fabian, Woodmen of the World, is first vice-president; J. M. Selman, Inter-Ocean Casualty, second vice-president; Miss L. E. Gunnell, Great Northern Life, secretary; Miss Margaret Ingram, American Casualty, assistant secretary.

Death Benefits Increase

Life companies paid \$899,593,000 in death benefits under 941,856 policies and certificates in the first nine months in 1944, compared to \$822,384,000 in death claims on 882,788 policies during the same period in 1943, the Institute of Life Insurance reports.

FOLLOW THESE STARS TO A BRIGHTER AND BETTER INCOME

LIFE — HEALTH — ACCIDENT and HOSPITAL INSURANCE

- ★ Office Allowance
- ★ Renewals As Long As Business Is In Force
- ★ Commissions—Plus Cash Allowances
- ★ Agency Advertising and Development Fund
- ★ Home Office Co-operation in Training Field Men

We have some

REAL OPPORTUNITIES

for men who are looking for a chance to develop their own agencies. Territories open in MISSOURI, KANSAS, IOWA and NEBRASKA.

For More Information WRITE

O. R. Jackson, Vice-President

POSTAL LIFE & CASUALTY INSURANCE COMPANY

"An Old Line Legal Reserve Life Insurance Co."

4727 Wyandotte Street
Kansas City 2, Missouri

1942 1943 Plus signs are PLENTIFUL!

"Plus signs" are plentiful along the road Pacific Mutual field representatives have traveled during 1943. Some 50 Million Dollars of new Pacific Mutual protection has been placed and paid for in the year—a "plus" of 32% over 1942 and a net gain in insurance in force of around 20 Million Dollars • For the career-underwriter with Pacific Mutual, there's a world of satisfaction in such "plus signs". They represent increased personal earnings. They are tangible products of those sound features of coverage and operation which constantly inspire Pacific Mutual representatives to say, "Ours is a distinctive company".

PACIFIC MUTUAL LIFE INSURANCE COMPANY

(A CALIFORNIA CORPORATION)
HOME OFFICE, LOS ANGELES, CALIFORNIA

PACIFIC MUTUAL...A DISTINCTIVE COMPANY

LIFE • ACCIDENT
HEALTH • ANNUITIES
GROUP INSURANCE
Featuring the New
and Unusual Savings
Plan that Pays
5 Ways

GLOBE LIFE INSURANCE COMPANY OF ILLINOIS

Offers Illinois Agents
Exceptional Agency Opportunity
VERY ATTRACTIVE CONTRACTS

COMPLETE LIFE INSURANCE COVERAGE—AGES 0-60

Excellent Line of Juvenile Policies
FULL BENEFIT AGE 5

For Particulars Write Home Office—Address Since 1895

431 South Dearborn St., Chicago, Illinois
WM. J. ALEXANDER, PRESIDENT

NEWS ABOUT LIFE POLICIES

Provident Mutual Retains '44 Scale

Provident Mutual Life announces that its 1944 dividend scale will be continued without change throughout 1945 by action of the board of directors.

Reliance Life Offers Life Income at 60

Reliance Life has added to its line a special life income contract to mature at age 60. This supplements the plan maturing at age 65 that has been sold for some time.

The new contract provides a life income of \$10 a month at maturity with 120 monthly payments guaranteed for each \$1,000 of original insurance. It is issued only on the participating basis.

In lieu of the regular life income benefit the insured at 60 may receive \$1,784, if male and \$2,000 if female. The rates are shown herewith for both male and female lives:

Age	M.	F.	Age	M.	F.
10...	\$25.65	\$27.43	31...	\$53.49	\$58.30
11...	26.41	28.26	32...	55.85	60.92
12...	27.21	29.14	33...	53.38	63.75
13...	28.03	30.05	34...	61.12	66.80
14...	28.89	31.00	35...	64.09	70.12
15...	29.81	32.01	36...	67.32	73.73
16...	30.76	33.07	37...	70.85	77.67
17...	31.76	34.18	38...	74.71	81.97
18...	32.81	35.33	39...	78.94	86.69
19...	33.93	36.56	40...	83.62	91.92
20...	35.09	37.85	41...	88.80	97.70
21...	36.31	39.21	42...	94.57	104.14
22...	37.62	40.66	43...	101.02	111.35
23...	39.00	42.19	44...	108.30	119.48
24...	40.46	43.80	45...	116.57	128.72
25...	41.99	45.51	46...	126.03	139.28
26...	43.63	47.33	47...	136.91	151.48
27...	45.38	49.26	48...	149.67	165.72
28...	47.23	51.32	49...	164.72	182.53
29...	49.20	53.52	50...	182.75	202.77
30...	51.32	55.88			

Mutual Benefit Maintains Dividend Scale in 1945

Mutual Benefit's policy dividend scale which has been in effect in 1942, 1943 and 1944, and the 3.25% interest rate in the settlement options and 3% guaranteed interest on dividend accumulations, will be continued in 1945.

Boston Mutual Keeps '44 Scale

Boston Mutual Life directors have voted to maintain next year the same dividend scale currently in effect for ordinary and industrial insurance policies and has set aside for dividends for 1945 \$300,000 as compared with \$256,000 this year.

For the first 10 months insurance written increased \$7,761,881, bringing the total insurance in force to \$127,544,869. For the same period, the gain from insurance operations amounted to \$119,-

Franklin Liberalizes Aviation Rules

Franklin Life has liberalized underwriting rules for all types of aviation risks. For several years favorable mortality has been experienced on annuity contracts issued to personnel of several large commercial airlines, and the broadened coverage and reduction of premiums result from this experience.

Franklin now will consider applications on the participating annual dividend basis for 20 payment life and higher premium forms submitted on the lives of commercial airline pilots and members of the crew flying anywhere in the western hemisphere (North America, South America, Central America, West Indies, and Bermuda) with an extra annual premium of \$7.50 per thousand; an extra annual premium of \$15 for world-wide coverage will apply on pilots or crew members of commercial airlines employed by domestic companies flying trans-oceanic routes to and from United States and Canada. Applications on the guaranteed life annuity contract will be considered for commercial airline pilots and crew members with full coverage on the special risk basis with extra annual premium of \$9 per unit.

Annual premium rates for non-scheduled commercial pilots operating company-owned planes where the pilot's qualifications, type of plane, annual flying time and terrain are comparable with the commercial pilot, involve an extra annual premium of \$7.50 per thousand. The private pilot making chartered flights, acting as student instructor, and operating sightseeing and photography planes, with an average flying time of 50 to 100 hours will be written at extra annual premium of \$10 per thousand with graduated rates applicable where average flying time annually is greater.

Those holding a private pilot's certificate or higher rating with more than 100

627 and investment gains to \$64,987. Boston Mutual is buying \$2,800,000 government bonds in the sixth war loan.

New Prospecting Cards

A handy prospecting card which can be sent policyholders with premium receipts is now available. Printed in two colors with the question: "Who do you think would be interested in owning a policy like yours?", the card has background sketches suggesting friends, relatives, and business acquaintances. Spaces are allowed for names of several prospects. Cards can be bought imprinted or plain. For sample, write THE NATIONAL UNDERWRITER, 175 West Jackson boulevard, Chicago 4, Ill.

hours solo experience and flying only licensed planes will be written with an extra rating ranging from \$7.50 to \$17.50 per thousand. Student pilots will carry an extra annual premium of \$25 per thousand.

Applications also will be considered from persons riding as passengers on non-scheduled planes with extra premiums ranging from 4 cents per hour downward to standard rates. Policies issued covering the aviation risk will have paid-up insurance as the automatic non-forfeiture option.

Minnesota Mutual Increases Limits on Waiver, Juveniles

Minnesota Mutual has increased the limits on the waiver of premium disability benefit which it will issue from \$50,000 to \$100,000 in that company and the limit on one life in all companies, including Minnesota Mutual, from \$100,000 to \$125,000.

Applications now will be considered on non-medical basis for juvenile policies ages under 5 for not exceeding \$2,500. For children under six months actual age a written statement from attending physician as to the child's health is required and the company is allow-

ing \$2 fee to the physician for this purpose.

A rule regarding the amount of insurance issuable on juveniles has been simplified so that age one and under the maximum amount that will be considered is \$10,000 ultimate amount. The limits ages 2-10 and for each year age up to 15 remain as before. Previously the limit under 12 months was \$2,500 and for age one it was \$5,000.

Feldman Agency Is Victor

The Pittsburgh agency of Union Mutual Life, managed by Robert L. Feldman, placed first in the company's fall sales campaign which this year was conducted along the lines of the world series. The prize was a baseball autographed by each member of the St. Louis Cardinals, and mounted in trophy form. The trophy was awarded to Mr. Feldman by Harland L. Knight, superintendent of agencies. At a regional meeting of managers in Buffalo, James D. Haber of the Pittsburgh agency led all producers throughout the country in submitted volume, with Mr. Feldman in second place nationally.

"Marketing Life Insurance" contains over 600 pages. Send \$5 for copy to National Underwriter, 175 W. Jackson Blvd., Chicago.

FLASH TO THE MEN IN THE FIELD

Satisfaction from Service

During October and November the field force of the industrial agency department of Commonwealth dedicated itself to an intensification of service to policyholders. Call after call has been unselfishly made in home after home for the sole purpose of rechecking insurance holdings, explaining Social Security benefits and National Service life insurance and being helpful in many other important ways.

Nothing is more stimulating to the underwriter than periodic concentration on policyholders' service because no part of the underwriters' work demonstrates so vividly the reliance people have on the life insurance they own and nothing demonstrates so clearly the responsibility of the underwriter in seeing that life insurance is properly arranged.

But policyholders' service has its monetary reward as well as its stimulating effect on morale. New needs are uncovered and new sales inevitably result. Because we are all busier than we have ever been before, let's make it a point to do some service work every week.

Insurance in force, October 31, 1944 — \$238,761,050

Where Quality Men are building Quality Volume

COMMONWEALTH Life INSURANCE CO.

MORTON BOYD, President

HOME OFFICE ★ LOUISVILLE

Lutheran Mutual Life Insurance Company

WAVERLY, IOWA

FOUNDED 1879

★ ★ ★ ★

★ ★ ★ ★

Liberal commissions, both first year and renewal, service fees and social security benefits to those who qualify.

If you are a Lutheran, agency openings may be available in your immediate territory.



LEGAL RESERVE FRATERNALS

"Four-Way" Plan Is New Fidelity Form

A new "four-way" protection plan of insurance is being introduced by Fidelity Life of Fulton, Ill., and already has met much favor with field representatives and insureds. It is a package sale, for a single premium paid by a single due date providing life, accident, disability and hospitalization coverage.

This society has made considerable progress since Thomas O. Hertzberg became sales manager two years ago. He has had wide experience in sales and field development work and has sponsored many innovations in Fidelity. He has achieved a spirit of teamwork throughout the field organization which has been particularly outstanding in the last year. Individual and state records are being established as sales run considerably ahead of 1943, and with a common goal of \$55,000,000 insurance in force at the close of 1944, a sales drive is in progress. First year premium income is 50% higher in the first 10 months than in the same period in 1943. It is found that 56% of the business sold in the last three months was written on women. There is a decided trend toward permanent forms. The average policy is increasing this year, although Fidelity's figure in 1943 was above the average for the fraternal field in general. Mr. Hertzberg has stressed selling larger policies and recently spoke before the Iowa Fraternal Congress on this subject, telling ways and means of increasing the average policy through simple program selling.

Fidelity representatives are being provided many sales helps, and the society is advertising regularly as a part of its public relations program. Exhibiting

for the first time in the Life Advertisers Association exhibit in New York City, Fidelity recently won certificates of excellence in all three classifications which it entered, including sales aids, policyholder relations, and insurance journal advertising. Entries in the latter classifications included ads which recently have appeared in THE NATIONAL UNDERWRITER. The management plans even further expansion in the agency organization in 1945.

President Walter C. Below in September was elected vice-president of the National Fraternal Congress, and probably will become its president next year. He is a most capable society leader and has been mainly responsible for the forward strides which Fidelity has made. Mr. Below is a full-time society executive and a career man. He is a leading exponent of juvenile insurance, having addressed the Nebraska and Iowa Fraternal Congresses on that subject in October, and is thoroughly modern and progressive.

Decide to Organize F. I. C. Association

It was decided at an executive committee meeting of the Fraternal Field Managers Association in Indianapolis to appoint a committee to draft revised by-laws to provide for organizing a "Fraternal Insurance Counsellor Section," which would correspond to the American Society of C.L.U., being a national organization.

Fred A. Johnson, supreme archon of Royal League, Chicago; T. O. Hertzberg, field supervisor of Fidelity Life, Fulton, Ill., and John E. Little, actuary and field director of Maccabees, form the committee. They also were named

as members of the constitution, resolution and by-laws committee.

It also was decided to hold the mid-winter meeting Feb. 20 in the Morrison hotel, Chicago, the day prior to the annual meeting of the Illinois Fraternal Congress.

Mr. Johnson, J. C. Phillips, Modern Woodmen, Rock Island, Ill., and F. B. Mallett, Protected Home Circle, Sharon, Pa., were named as the membership committee.

N. K. Neprud, Lutheran Brotherhood, association president, presided. Paul Speicher and Alden C. Palmer, both of R. & R. Service, attended.

High-school Education Question

Mr. Palmer reviewed questionnaires sent to F.I.C. holders, 96 replying of 235 blanks mailed. There were 20% reporting they did not have high school education, 19% had high school education and 61% had done college work; 50 favored requiring high school education or equivalent as a minimum and 46 were opposed to that idea. The association decided as soon as practicable to require high school education or equivalent before awarding the F.I.C. designation. It was decided to leave the minimum limits \$100,000 in production and the committee also felt that as soon as possible it should require two years' field service with a member society instead of one as now.

It was decided after a discussion of requirements as to moral character for the designation that Secretary Little and Mr. Palmer be designated a special committee to prepare an application blank to be signed by applicants giving the names of five business or professional men or women as references, and that further investigation of this subject be delayed until the committee reports. Mr. Palmer reviewed the special course on insurance salesmanship and related matters held in February each year at Purdue University for one, two and three weeks, and said the tuition fee is being increased from \$8.50 to \$10 and dormitory costs are approximately \$13 weekly. Mr. Hertzberg reported five Fidelity Life representatives attended the course last year with great satisfaction.

Minnesota Congress Is to Meet in St. Paul Dec. 16

The program for the 27th annual convention of the Minnesota Fraternal Congress in Hotel Lowry, St. Paul, Dec. 16, has been announced by Mrs. Luella H. Ives, secretary-treasurer, Minneapolis, who is state supervisor of Royal Neighbors. Mrs. Edna Dugan, Degree of Honor, is president; J. M. Aretz, president-Catholic Aid, first vice-president; Mrs. J. Marie O'Brien, Royal League, second vice-president.

Mr. Aretz will extend welcome in the morning when there will be committee reports including: legislative, W. K. Blewett, Maccabees; ethics, Frank Busta, Western Bohemian; fraternal week, Mrs. Ives; Twin City Life Underwriters, B. M. Wacholtz, Equitable Reserve; N.F.C. Field Managers Association, N. K. Neprud, Lutheran Brotherhood; world calendar, Mr. Aretz; National Fraternal Congress, Mrs. Dugan.

Speakers in the afternoon will include Commissioner Johnson, W. Cable Jackson, superintendent of agents Modern Woodmen, "Good Morale Is Essential"; Mrs. Frances Buell Olson, president Degree of Honor, "Our Opportunities and Responsibilities"; Hugh Young, trustee Catholic Order of Foresters, "Our Juniors"; Herman L. Ekern, president Lutheran Brotherhood, "Life Insurance Investments"; Farrar Newberry, president N.F.C.

Mrs. Clara B. Bender, secretary Degree of Honor will conduct a memorial service; W. G. Fischer, Lutheran Brotherhood, report on educational progress; J. C. Heineman, Ancient Order of United Workmen, Minnesota, and Mr. Aretz will lead a discussion.

At the banquet F. M. Truax, commissioner of education of St. Paul, will ex-

tend welcome, with response by Mr. Fischer and greetings by Mrs. Bender. Mr. Newberry will make the principal address and Commissioner Johnson will speak briefly.

Viehmann Urges Law to Retain State Regulation

Legislation by Congress to retain in state governments the right to regulate insurance was recommended in Indianapolis by Frank J. Viehmann, Indiana insurance commissioner, in a speech before the Indiana Fraternal Congress. He said Indiana insurance organizations had agreed on a program of legislation "to the effect that regulation and taxation of the insurance business shall continue in the several states."

He said that insurance handled by fraternal organizations in Indiana totaled \$142,000,000 at the end of 1943, an increase of more than \$3,000,000 in the year.

Mallett New President of Pennsylvania Congress

Frank B. Mallett of the Protected Home Circle, Sharon, Pa., was elected president of the Pennsylvania Fraternal Congress at the annual meeting in Philadelphia. He succeeds Nicholas Bobernak, Russian Brotherhood, Philadelphia. The other new officers are: First vice-president, M. J. Vargovich, President First Catholic Slovak Union, Cleveland; second vice-president, Clyde F. Wilmet, Jr., Order United American Mechanics; secretary - treasurer, Miss Louise Patrick, Woodmen Circle; executive committee, Mr. Bubernak; Dr. J. W. Klein, Teachers Protective; R. D. Robinson, Maccabees; John Eibeck, Catholic Knights of St. George; B. M. Pekich, Serb National Federation; Mrs. Gabriella Vavrek, Ladies Pennsylvania Slovak, Roman & Greek Catholic Union; Stephen M. Tkatch, Greek Catholic Union; John Decman, Grand Carniolian Slovenian Catholic Union; Ivan Michaelson Czap, United Russian Orthodox Brotherhood.

Small Policy Is Declared to Be Greatly Needed

There has been so much emphasis on large life insurance cases in the last few years that many life men have become almost ashamed to write a mere \$1,000 or \$2,000 application. The publication of Aid Association for Lutherans points out that the first thousand or so of insurance is really the most important. Tremendous good is accomplished by making it possible for a widow and her children to face the future with a thousand or so in cash instead of that amount in debts.

"Although the persons who can successfully close the large cases are worthy of considerable credit," the article states, "it must be remembered that there would be little life insurance if it were not for the vast army of men writing applications in the smaller amounts. It must also be remembered that it doesn't require much courage for a person with wealth to buy \$25,000 or \$50,000 of insurance. It does require considerable courage, however, for a man of limited means to buy \$2,000 or

WOODMEN FIELD MEN OFFER MORE THAN PROTECTION

Woodmen field representatives have more than safe, dependable life insurance protection to offer. The immediate, life-long "PROTECTION PLUS" benefits open to its members through the fraternal and social activities of their Woodmen Camps, make the Woodmen fraternal life insurance plan extra attractive to thousands of American men and boys.

WOODMEN of the WORLD Life Insurance Society OMAHA, NEBR.

THE PRAETORIANS

Adult and Juvenile Policies on the Easy Monthly Payment Plan, giving one the opportunity to budget his Life Insurance protection along with his other monthly bills.

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"Since 1868"—the best in Life Insurance Service for Catholics



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\$3,000 of insurance. Almost every small program constitutes real sacrifice on the part of the buyer."

The fraternal societies generally write in the small brackets, with average policy running \$1,000 or less.

Ukrainian National Association of Jersey City has been admitted as a member of the National Fraternal Congress.

Educate Youth to Value of Insurance

(CONTINUED FROM PAGE 1)

To find a base on which to set up a sound postwar production and employment goal, the C.E.D. went back to 1940, the last full peacetime year. According to the Department of Commerce, 46 million people were employed and turned out a gross national product of about \$100 billion. But there were about 9 million unemployed. Under wartime conditions, the country's working-fighting force has reached a grand total of 64 million men and women and we are turning out a gross national product of about \$157 billion at 1940 prices.

From these 64 million people can be subtracted those who will return to school or retire, the housewives who will elect to go back to their homes, and the men and women who for some time will remain in the armed forces. It is estimated that this will leave about 55 million people who will want productive civilian jobs—useful jobs at decent pay and ample opportunity for advancement. "Never again will doles and subsistence levels be tolerated," Mr. Fletcher warned. "Jobs for these returning soldiers and sailors and war workers must be provided primarily through the resources and ingenuity of business, or the government will be forced to take over."

Life Insurance Role

Talking on what life insurance men and other business men can accomplish in this broad program through fostering community unity, Mr. Fletcher told what has already been done in many cities and towns along the lines recommended by the C.E.D. He urged that every community consider the advisability of maintaining a permanent advisory committee, on which there would be representatives of business, agriculture, labor government, education and other responsible community groups.

Mr. Fletcher urged that business men should take the lead in the formation and maintenance of such committees and prove themselves to be business statesmen who are actively interested in the welfare not only of their own employees

but of the employees of all other business men by holding unemployment to a minimum.

J. M. Eisendrath, Guardian Life of New York, association president, was toastmaster. There was a humorous talk by Tex O'Rourke, well known after-dinner speaker.

Battle Is Shaping on SS Tax Freeze Plan

(CONTINUED FROM PAGE 1)

estimates result in a level annual cost of less than 4% of payroll. Under certain assumptions the level annual cost has been estimated to be as much as 7%. On the basis of a 4% level annual cost it may be said that the reserve fund already has a deficit of \$6,600 million. On the basis of 7% the reserve fund has a deficit of about \$16,500 million.

The present value of the benefits payable to those now eligible amounts to approximately \$4½ billion. Since the reserve fund as of Jan. 1, 1945, will be only \$6 billion, this leaves only \$1½ billion to meet the liabilities which the government has assumed for the payment of benefits to the 69 million persons who have accumulated wage credits but have not yet died or reached the retirement age of 65.

Private Insurance Analogy

"It is true that we are collecting at the present rate of 1% as much as we estimated in 1939 we would collect at 2%. However, this is because more people have become insured and larger wage credits, upon which benefits are based, have been accumulated by the workers. . . . A private insurance company that wrote twice as much business and, therefore, had twice as much premium income as it had previously estimated does not cut its premium rates in half, because it realizes that it has also assumed an increased liability. In my judgment, it is likewise unsound for the federal government to do so.

"It is a certainty that the longer the present pay-roll tax rate remains in effect, the higher the future pay-roll tax must be if the insurance system continues to be financed wholly by pay-roll taxes. Therefore, the indefinite continuation of the present contribution rate (assuming the system is self-sustaining, and the costs are shared equally by the employees and employers) will eventually necessitate raising the employees' contribution rate later to a point where future beneficiaries will be obliged to pay more for their benefits than if they obtained this insurance from a private insurance company.

"Retaining the present rate creates a moral obligation on the part of Congress to provide a subsidy later on to the extent necessary to avoid levying inequitably high pay-roll tax rates in the future.

Cites the Implications

"The government obligations held by the old-age and survivors insurance trust fund would otherwise be in the hands of banks, insurance companies, and other private investors—assuming that the receipt of pay-roll contributions so invested has not caused the Congress to make larger appropriations than it would otherwise have done.

"I think it is concerning the implications of this last point that there has not been a complete meeting of minds. Thus, the following statement is contained in a report of the Senate finance committee concerning the tax freeze last year: 'It makes no difference to the taxpayer whether this \$1½ billion is appropriated to pay the interest on \$50 billion of government bonds in a reserve fund or whether it is a direct appropriation to the support of the old-age and survivors system: * * *

"However, I feel that that statement fails to recognize that with no reserve funds the taxpayers would be required to pay \$1½ billion subsidy to the insurance

system and also be required to pay \$1½ billion interest to private investors on securities held by them instead of by the insurance trust fund. With a \$50 billion reserve fund, the taxpayers would pay only \$1½ billion into the insurance trust fund in the form of interest on the securities held by it. Therefore, without a reserve fund the taxpayers' burden would be exactly double."

The committee, he contended, is confronted with a question of public policy rather than a technical question upon which experts might differ.

Against Outright Subsidy

The social security board believes that there is greater assurance that the benefits promised will be paid if the future annual excess of benefit payments over pay-roll tax receipts is met by a Congressional appropriation to pay the interest on the insurance trust fund rather than in the form of an outright subsidy out of general revenues.

Those who disagree believe that the larger the accumulated trust fund, the greater is the temptation to extravagance on the part of Congress. The board believes that this argument is unsound because while this fund represents an asset of the insurance system it represents a liability of the government and because the board believes that the present contribution rate, so far below the value of the protection provided, creates a temptation to increase the benefits without giving proper consideration to the true costs involved.

The continuation of the present 1% rate not only tends to depreciate the true costs involved, but also depreciates in the minds of employees, employers and the public the great value of the protection afforded.

It appears probable, he concluded, that the workers and business generally can absorb the 1% increase as readily or more readily at this time than they could a year hence or at any other time in the near future.

Linton Opposes Increase Now

Supporting holding of social security tax rates at 2% for next year, M. Albert Linton, president Provident Mutual Life, recommended to the House ways and means committee Tuesday that a study be made of the financing of the old age and survivors insurance system by a special advisory committee.

Mr. Linton said ample funds are available to meet all requirements for several years to come. The current tax yield is about seven times current outgo of say \$200 million. O.A.S.I. trust fund is approaching \$6 billion and is growing fast. Unless good reasons can be advanced for an increase in the tax rate millions of taxpayers will be resentful.

Careful review of the whole situation should be made to the end that sound, coherent policy for financing O.A.S.I. may be adopted. Since there is no emergency, the present tax rate should be retained while such a policy is being formulated.

Raising the tax rate to meet war expenses or as anti-inflation measure would be unsound. Anti-inflation taxes should be levied for that purpose, openly and above board and then repealed when no longer needed.

The safest long-run policy is to return the taxes to the stream of purchasing power through payment of benefits and not to invest them in government bonds, except to create needed contingency reserve.

To increase the taxes unnecessarily would impose unjustified burdens on small business and white-collar workers. Big business would not feel the burden to the same extent because so much of it would be shifted to the Treasury Department.

When income and excess profits taxes which Treasury would otherwise have collected directly, are reduced by increasing social security taxes, the Treasury will in effect increase its borrowings from the O.A.S.I. trust fund.

Mr. Linton was questioned in considerable detail by committeemen, some

of whom appeared to differ considerably with him. He said he is "highly in favor" of putting old age security on a pay as you go basis, with a small reserve. While supporting extension of social security, he declared he approves of everybody doing something for himself to protect his old age, such as insurance, savings, etc.

In response to a question, he said Provident Mutual has no formal pension plan, but has 80 or 90 people drawing pensions and is working on a pay-as-you-go system. He expressed belief the entire public should pay the cost of social security, instead of only those under the system, and suggested the total cost be divided, one-third each being borne by employees, employers and from general taxation.

A 2 or 3% payroll tax would not pay eventual benefits, Mr. Linton said, and mentioned the possibility of an 8 to 12% rate ultimately. It should go to 6%, he indicated, but perhaps not in 1949. The question of timing is very important, he said.

The witness suggested trying out a stamp book method of collecting social security tax on domestic servants if they are included under coverage. He said inclusion of the self-employed would be "hard to police," a problem which he said no government has solved.



PITY POOR PERRY . . . He Muffed the \$64.00 Questions!

Perry Q. considered himself the best informed man on the Fidelity sales force but, to his great chagrin, he was stumped by these two seemingly harmless questions:

1. How much has Fidelity's first year premium income for the first ten months of 1944, increased over that of the same period last year?
2. What percentage of Fidelity sales are now to women?

Deeply saddened, Perry voluntarily took to the Dunce Stool in the corner, for he realized that he should have known that the answer to the first question is "50%" and that the answer to the second is "56%."

Is there anybody in the audience as impressed by the answers as Perry was? You are? Then just drop us a line. We are waiting to tell you more.

FIDELITY LIFE ASSOCIATION

FULTON — ILLINOIS

Founded 1896

LIFE
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A LEGAL reserve fraternal life insurance society for all Lutherans on 3% American Experience reserve basis. Twenty-five years old—\$105,000,000 in force. Mortality experience 1943—24.64%. Rate of assets to liabilities—111%.

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Our new agents' contract, with retirement program, has been enthusiastically received by our agency force.

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Address your letter of inquiry to:
THE SUPERINTENDENT OF AGENCIES

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 THE BOURSE PHILADELPHIA

Planning for Peace Now Matures

(CONTINUED FROM PAGE 9)

trained and best equipped in the world, but also the best informed.

"Many of our soldiers have learned more in the army about the world in which they live than they learned in all their previous life. Many youngsters have had their first taste of responsibility and have proved their ability. All of us know captains, majors and colonels in their 20s and 30s who have commanded units with distinction in the field. Many of today's top-ranking officers were yesterday's college students. Business and society must be resourceful enough to recognize and utilize the leadership qualities of these men when they come back."

Reinduction, Reeducation, Retraining

In general, most of the life insurance companies recognize the tremendous stake which they have in former agents now in the armed forces. For example, Griffin M. Lovelace, vice-president of New York Life, recently stated that 600 New York Life agents who have entered military service were producing \$52 million of paid business annually before their induction. In addition, former agents who went into war work had produced at a rate of \$38 million per year, making a total of \$90 million a year.

It is probable that upon analysis many companies would find something like the same situation as far as percentages to total annual business or business in force is concerned.

Under such conditions, it is easy to see how great is the need for a reinduction and retraining program which should be set up, not merely in general outline—and not left entirely to managers or general agents—but carefully planned in detail by the home office, covering specific methods to be applied in each agency to facilitate personal contact with the returning veteran; to notify his policyholders of his return; to plan special policyholder dinners; to prepare new prospect lists and special planned canvasses to suit his particular prospect list or clientele, etc., etc.

Furthermore, special planning will have to be done in order to bring the veteran up to date on changes in life insurance and in company practices since Pearl Harbor, as well as to impart certain new ideas such as the present investment advantages of life insurance in the face of low interest returns and high income taxes.

Joint Work Valuable

Joint work, either with manager or with a capable agent, is also recommended by many companies until the returned soldier revives his selling skills and his confidence in his selling prowess. Above all, careful, kindly, patient supervision of all his activities will be a "must" if the manager or supervisor is to discharge his true responsibilities to the returning agent.

Another vital factor will be the reestablishment of a practical, sound, workable family budget, based on the present resources of the agent—accompanied by a plan of financing during the period when he is getting back on his feet.

Of first importance, also, is the need of the service man for specific, definite tasks laid out for him in detail. It should be remembered that in the army or navy his life has been largely ordered for him, and hence he should not be expected to rely altogether upon his own devices in the beginning. This particularly applies to prospecting and to the recommendation of a specific sales plan adapted to his personality, his prospects and his family budget.

Reestablishment of centers of influence will also be needed as well as a complete file of the returning agent's age changes, since such lists will give him immediately a profitable group upon whom to call.

Some companies are planning to hold

a special series of reeducation and retraining schools for all returning service men and women. Some of these will be held in the home offices, but generally they will be regional schools located in strategic centers where travel expenses may be held to a minimum.

The National Association of Life Underwriters at its recent Detroit convention adopted the following resolution:

"Whereas, the members of the N.A.L.U. have constantly endeavored to assist service men and women with their National Service Life Insurance; and by resolution have urged all members of our armed forces to take full amount of National Service Life Insurance available; now, therefore, be it resolved:

"That all life underwriters should make their services available to those discharged from the armed forces, and should encourage them to continue their National Service Life Insurance in force."

Broad-Minded Statesmanship

It is gratifying to see such evidence of broad-minded, far-seeing statesmanship in the National association, since the attitude of underwriters in adhering to such a policy will directly affect public relations in the life insurance business for many years to come.

Furthermore, the help of progressive agents will not be confined merely to a recommendation for the maintenance of National Service Life Insurance. It will extend further into all kinds of service work to assist returning policyholders to program present insurance—including National Service—and to set up a specific pattern of future requirements which can be met by additional life insurance as increasing income permits.

Thus, a brief review of the plans projected and now already in effect indicate that the institution of life insurance is preparing as never before to assume an increased responsibility to the insuring public in the years of readjustment which lie ahead. And as field men, managers and executives come more and more to recognize and discharge these responsibilities, the result will be a rebirth of enthusiasm within the business itself and a more complete recognition by the people generally of the indispensable service which life insurance can perform in a free-enterprise society.

Jones Before L.O.M.A. Graduates

Harry W. Jones, assistant mathematician of Mutual Benefit Life, will speak on "Some Possibilities in Punch-Card Usage" at the dinner meeting of the New York section of the Society of Life Office Management Institute Graduates Dec. 7 at the Newark Athletic Club.

Insurers Upheld in Two Actions

WASHINGTON — Before recessing Monday for two weeks the Supreme Court, in a per curiam in No. 461, Carter vs. General American Life, granted the company motion to dismiss the appeal of plaintiff "for want of a properly presented federal question." Justice Black dissented.

In 501, Rintoul vs. Sun Life of Canada, petition for writ of certiorari was denied.

Van Epps to Mass. Protective

Massachusetts Protective and Paul Revere Life have appointed Merle E. Van Epps field supervisor of the office agency department. His duties will be along the lines of field service helps in life insurance selling to the agency force.

Mr. Van Epps is a native of Iowa, a graduate of Iowa State College, and has had 18 years' experience in life insurance work as an agent and agency su-

pervisor. He has recently been with Mutual Life in Davenport, Ia.

Nebraska Company in 50th Year

Security Mutual Life of Lincoln has started its 50th year of operation, as it was organized late in 1895 at Fremont, Neb. At the end of the first full year of operation, it had 310 policyholders with \$401,000 of life insurance.

It moved to Lincoln in 1899 and now has more than \$9,250,000 of assets and more than \$51,000,000 of insurance in force. T. A. Sick is president.

L. A. Legislative Dinner Dec. 14

The biennial legislative dinner tendered by life insurance men of Los Angeles to the members and members-elect of the California legislature will be held Dec. 14.

Speakers will be Dr. Walter F. Deater, state superintendent of public instruction; Charles W. Lyon, Los Angeles, speaker of the assembly, and A. W. Robertson, Santa Barbara, Democratic floor leader. The Los Angeles association will be host, with other life insurance organizations in southern California cooperating.

Harry Shipman, 76, in life insurance work in Indianapolis for many years died following an illness of 10 weeks. At the time of his retirement, he was assistant superintendent of National Life Accident and before that had served as superintendent of Metropolitan Life in Madison, Jeffersonville, Ind., and Memphis, Tenn. In early life he had been a Mississippi river pilot.

Victor Arnopolin, son of S. I. Arnopolin, Chicago broker, who was wounded in September in France, has been awarded the Purple Heart, which has been forwarded to his father. Victor Arnopolin is back in action in the Mediterranean area.

Lt. (j.g.) Grant L. Hudson, Jr., USNR, on leave as Detroit manager of Occidental Life, has been advanced to lieutenant. He is stationed in Washington.

Walter W. Head, president of General American Life, has become chairman of the regional public works committee of the Metropolitan Plan Association of St. Louis. It will encourage and coordinate planned public works to provide necessary public improvements and jobs throughout that region.

GEORGE, DOES YOUR COMPANY WRITE A FAMILY MAINTENANCE CONTRACT?



"Yes, we provide Family Maintenance monthly income benefits through our annual dividend Multiple Protection contract for 10 years, 20 years, or to age 65. Various Family Maintenance monthly income and cash options are available, all guaranteed."

GENERAL AMERICAN LIFE INSURANCE COMPANY

WALTER W. HEAD, Pres.

St. Louis, Mo.



These people buy a battleship — every week!

Meet John S—— and Mary D——

John works at an electronics plant on Long Island, and makes \$85 a week. Almost 16% of it goes into War Bonds.

Mary has been driving rivets into the hide of one bomber after another out at an airplane plant on the West Coast. She makes \$55 a week, and puts 14% of it into War Bonds.

John and Mary are typical of more than 27 million Americans on the Payroll Savings Plan who, every single month, put a half a BILLION dollars into War Bonds. That's enough to buy

one of those hundred-million-dollar battleships every week, with enough money for an aircraft carrier and three or four cruisers left over.

In addition, John and Mary and the other people on the Payroll Plan have been among the biggest buyers of *extra* Bonds in every War Loan Drive.

When you come to figure out the total job that John and Mary have done, it's a little staggering.

They've made the Payroll Savings Plan the backbone of the whole War Bond-selling program.

They've helped keep prices down and lick inflation.

They've financed a good share of our war effort all by themselves, and they've tucked away billions of dollars in savings that are going to come in mighty handy for both them and their country later on.

When this war is finally won, and we start giving credit where credit is due, don't forget John and Mary. After the fighting men, they deserve a place right at the top of the list. They've earned it.



You've backed the attack—now speed the Victory!

The NATIONAL UNDERWRITER

This is an official U.S. Treasury advertisement—prepared under auspices of Treasury Department and War Advertising Council



The man who hated to go out evenings

I SUPPOSE Mary Louise thought George was a Prince on a White Horse when she married him. Mary Louises usually do.

And I suppose it was a great blow to her amiable self when, as the years went by, her Prince dismounted and sat by the fire. But George just happened to turn out that way—and an old pair of slippers was far more comfortable than a charger, gleaming white.

Don't think that George was any less of a prince at heart. He was the best of husbands, and I want to say to all the Mary Louises in America: your man may hate to go out evenings but don't take

that to mean that the love has gone out of his heart.

Take it to mean that he loves his home and what *you've* made it. Take it to mean that he'd rather be there than any place else. Take it to mean that every sterling quality he had in youth has at last found expression in contentment—which is a pretty fine thing if you ask me, or anybody else.

People like George, Mary Louise, have adequate, up-to-date life insurance programs. They are the kind who make sure that the mortgage will be paid—that the children will be educated—that independence in old age is assured. They love you too much to take chances.

To all George's "brothers"—

Would you like to make sure that your life insurance program is adequate for your needs? **Northwestern Mutual** agents are making sure for hundreds of men and women every day—making sure that incomes will continue, that educations will be provided, that retirement years are happy and secure . . . whatever happens. It's a good idea, too, to learn from a **Northwestern Mutual** agent what the difference between life insurance companies is—and from our policyholders, why no company excels **Northwestern Mutual** in that happiest of all business relationships—old customers coming back for more.

(This full-page, two-color advertisement appeared in the Saturday Evening Post)